

**STATE BOARD OF ACCOUNTS
302 West Washington Street
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INDIANAPOLIS, INDIANA 46204-2769**

**Paul D. Joyce, CPA
State Examiner**

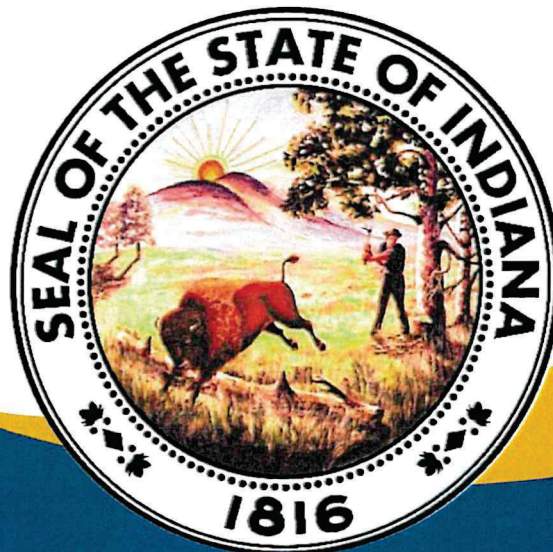
FEDERAL COMPLIANCE AUDIT REPORT

OF

VINCENNES UNIVERSITY

KNOX COUNTY, INDIANA

July 1, 2024 to June 30, 2025



FILED

03/16/2026

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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Vice President for Financial Services	Timothy J. Eaton Conya Wampler	07-01-24 to 06-30-25 07-01-25 to 06-30-26
President	Dr. Charles R. Johnson	07-01-24 to 06-30-26
Chair of the Board of Trustees	Michael J. Sievers	07-01-24 to 10-04-26



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INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, KNOX COUNTY, INDIANA

We have audited the financial statements of the business-type activities, the discretely presented component unit, and the fiduciary activities of Vincennes University (University), a component unit of the State of Indiana, 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. We issued our report thereon dated October 30, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Vincennes University Foundation, Inc., as described in our report on the University's financial statements.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Beth Kelley, CPA, CFE
Deputy State Examiner

February 26, 2026



Paul D. Joyce, CPA
State Examiner

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, KNOX COUNTY, INDIANA

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities, the discretely presented component unit, and the fiduciary activities of Vincennes University (University), a component unit of the State of Indiana 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 and have issued our report thereon dated October 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Vincennes University Foundation, Inc., as described in our report on the University's financial statements. The financial statements of the Vincennes University Foundation, Inc., were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Vincennes University Foundation, Inc., or that are reported on separately by those auditors who audited the financial statements of the Vincennes University Foundation, Inc.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS
(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Beth Kelley, CPA, CFE
Deputy State Examiner

October 30, 2025, except for the Schedule of Expenditures
of Federal Awards, for which the date is February 26, 2026



Paul D. Joyce, CPA
State Examiner

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, KNOX COUNTY, INDIANA

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Vincennes University's (University) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025. The University's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Other Matter - Federal Expenditures Not Included in the Compliance Audit

The University's basic financial statements include the operations of the Vincennes University Foundation, Inc., which is a component unit of the University. Expenditures of federal awards for this component unit, if any, are not included in the University's Schedule of Expenditures of Federal Awards during the year ended June 30, 2025. Our compliance audit, described in the *Opinion on Each Major Federal Program*, did not include the operations of the Vincennes University Foundation, Inc., as the component unit is a legally separate entity of the University and is subject to a separate audit, as applicable in accordance with Indiana state statutes or regulations, and the audit requirements of the Uniform Guidance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance, but is not absolute assurance, and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually, or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

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

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
(Continued)

Report on Internal Control over Compliance

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

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

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

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



Beth Kelley, CPA, CFE
Deputy State Examiner

February 26, 2026

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND ACCOMPANYING NOTES

The Schedule of Expenditures of Federal Awards and accompanying notes presented were prepared by management of the University. The schedule and notes are presented as intended by the University.



VINCENNES UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year ended June 30, 2025

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Direct Grant				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grants	84.007		\$ -	\$ 196,598
Federal Work-Study Program	84.033		-	261,701
Federal Perkins Loan Program_Federal Capital Contributions	84.038		-	52,353
Federal Pell Grant Program	84.063		-	10,446,100
Federal Direct Student Loans	84.268		-	11,491,119
			-----	-----
Total for federal grantor agency			-	22,447,871
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Direct Grant				
Student Financial Assistance Cluster				
Nursing Student Loans	93.364		-	28,837
			-----	-----
Total for federal grantor agency			-	28,837
			-----	-----
Total for Student Financial Assistance cluster			-	22,476,708
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Pass-Through Indiana Department of Education				
Child Nutrition Cluster				
National School Lunch Program	10.555	74201-245	-	2,384
			-----	-----
Total for Child Nutrition Cluster			-	2,384
			-----	-----
Total for federal grantor agency			-	2,384
<u>U.S. DEPARTMENT OF LABOR</u>				
Pass-Through South Central Region 8 Workforce Board, Inc				
Employment Service Cluster				
Region 8				
Employment Service/Wagner-Peyser Funded Activities	17.207	BC-24-VU	-	120,000
			-----	-----
Total for Employment Service Cluster			-	120,000
			-----	-----

VINCENNES UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year ended June 30, 2025

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
WIOA Cluster				
Region 8				
WIOA Adult Program	17.258	WIOA-24-ADW-VU WIOA-24-Y-VU	-	371,936
WIOA Youth Activities	17.259		-	493,770
WIOA Dislocated Worker Formula Grants	17.278	WIOA-24-ADW-VU	-	305,739
Total for WIOA cluster			-	1,171,445
Direct Grant				
Mine Health and Safety Grants	17.600	24R55MS000081-01-00	-	36,056
Mine Health and Safety Grants	17.600	25R55MS000119-01-00	-	390,662
Total Mine Health and Safety Grants			-	426,718
Pass-Through Indiana Department of Workforce Development				
Registered Apprenticeship	17.285	81105	-	11,688
Registered Apprenticeship	17.285	ABA-22-VU	-	119,454
Total Registered Apprenticeship			-	131,142
Pass-Through South Central Region 8 Workforce Board, Inc				
Region 8				
Unemployment Insurance	17.225	RESEA-24-VU	-	126,997
WIOA National Dislocated Worker Grants / WIA National Emergency Grants	17.277	Quest-23-VU 79762	-	148,232
Total for federal grantor agency			-	2,124,534
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Pass-Through Indiana Criminal Justice Institute				
Highway Safety Cluster				
National Priority Safety Programs	20.616	78292	-	23,769
National Priority Safety Programs	20.616	87152	-	135,388
Total for Highway Safety Cluster			-	159,157
Total for federal grantor agency			-	159,157

VINCENNES UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year ended June 30, 2025

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
<u>U.S. DEPARTMENT OF TREASURY</u>				
Pass-Through Indiana Family and Social Services Administration Tax Counseling for the Elderly	21.006	25TCEP0018	-	16,977
Pass-Through South Central Region 8 Workforce Board, Inc Region 8 COVID-19 - Coronavirus Relief Fund	21.019	WRG-24-VU	-	72,403
Total for federal grantor agency			-	89,380
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Direct Grant				
TRIO Cluster				
TRIO Student Support Services	84.042	P042A200182	-	429,599
TRIO Student Support Services	84.042	P042A200169	-	306,510
Total TRIO Student Support Services			-	736,109
TRIO Talent Search	84.044	P044A210376-24	-	371,340
TRIO Talent Search	84.044	P044A210376-23	-	105,507
TRIO Talent Search	84.044	P044A210375-24	-	253,196
TRIO Talent Search	84.044	P044A210375-23	-	54,121
Total TRIO Talent Search			-	784,164
TRIO Upward Bound	84.047	P047A220371-24	-	365,651
Total for TRIO cluster			-	1,885,924
Pass-Through Indiana Department of Workforce Development				
Adult Education - Basic Grants to States	84.002	5104170P24ABEGR	-	12,643
Career and Technical Education - Basic Grants to States	84.048A	90637	-	129,929
Career and Technical Education - Basic Grants to States	84.048A	24-0719-HE152637	-	396,403
Career and Technical Education - Basic Grants to States	84.048A	23-0719-REVVU	-	83,912
Total Career and Technical Education - Basic Grants to States			-	610,244

VINCENNES UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year ended June 30, 2025

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
Pass-Through South Central Region 8 Workforce Board, Inc. Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	PRE-ETS-23-VU	-	261,003
Pass-Through Indiana Department of Education COVID-19 - Education Stabilization Fund	84.425U	71822-23	-	1,000
Total for federal grantor agency			-	2,770,814
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Pass-Through Indiana Family and Social Services Administration				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	90187	-	237,476
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	80187	-	48,007
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	63001	-	81,896
Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			-	367,379
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	90187	-	383,315
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	63001	-	98,052
Total Special Programs for the Aging, Title III, Part C, Nutrition Services			-	481,367
Nutrition Services Incentive Program	93.053	90187	-	38,653
Nutrition Services Incentive Program	93.053	80187	-	17,015
Total Nutrition Services Incentive Program			-	55,668
Total for Aging Cluster			-	904,414
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	90187	-	10,386
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	90187	-	12,865
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	80187	-	12,585
Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services			-	25,450

VINCENNES UNIVERSITY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Year ended June 30, 2025

Federal Grantor Agency/Pass-Through Entity Cluster Title/Program Title/Project Title	Assistance Listing Number	Pass-Through Entity (or Other) Identifying Number	Passed through to Subrecipients	Total Federal Awards Expended
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG0067	-	7,690
Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	93.048	90MPPG0066	-	1,400
Total Special Programs for the Aging, Title IV, and Title II, Discretionary Projects			-	9,090
National Family Caregiver Support, Title III, Part E	93.052	90187	-	59,543
National Family Caregiver Support, Title III, Part E	93.052	80187	-	36,767
Total National Family Caregiver Support, Title III, Part E			-	96,310
Social Services Block Grant	93.667	90187	-	191,699
Social Services Block Grant	93.667	80187	-	49,113
Total Social Services Block Grant			-	240,812
Pass-Through Indiana Department of Insurance				
Medicare Enrollment Assistance Program	93.071	88227	-	23,159
Medicare Enrollment Assistance Program	93.071	56374	-	1,375
Total Medicare Enrollment Assistance Program			-	24,534
Pass-Through South Central Region 8 Workforce Board, Inc				
Temporary Assistance for Needy Families	93.558	JAG-TANF-23-VU	-	1,029,936
Pass-Through University of Southern Indiana				
PPHF Geriatric Education Centers	93.969	25-020-E	-	90,160
Total for federal grantor agency			-	2,431,092
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
Pass-Through Indiana Family and Social Services Administration				
AmeriCorps Seniors Retired and Senior Volunteer Program (RSVP) 94.002	94.002	23SRCIN001	-	74,337
Total for federal grantor agency			-	74,337
Total federal awards expended			\$ -	\$ 30,128,406

The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

VINCENNES UNIVERSITY
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Vincennes University (University) under programs of the federal government for the year ending June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards* (Uniform Guidance). For purposes of the Schedule, federal awards include all federal assistance and procurement relationships entered into directly between the University and the federal government and sub-awards from non-federal organizations made under federally sponsored agreements. The Schedule presents only a selective portion of the activities of the University; therefore, it is not intended to and does not present the financial position, change in financial position, or cash flow of the University.

Student Financial Assistance

Expenditures for non-loan assistance made to students are recognized and reported in the Schedule of Expenditures of Federal Awards.

Student loan programs are funded by the federal government under various programs; e.g., Perkins Student Loan Program and Nursing Student Loan Program. Activity related to these loan programs include federal and university capital contributions, loan repayments, interest earned on loans, cancellation of loans, and administrative and collection costs.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, whereas, certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The University did not elect to use the 10% de minimis cost rate for awards prior to October 1, 2024, nor the de minimis cost rate of up to 15% for awards on or after October 1, 2024. Vincennes University has an approved indirect cost rate of 39.70% for on-campus programs and 10.30% for off-campus programs using a modified total direct cost basis. The University's cognizant agency is Health and Human Services. The effective period for these rates is July 1, 2021 through June 30, 2025.

VINCENNES UNIVERSITY
 NOTES TO SCHEDULE OF EXPENDITURES OF
 FEDERAL AWARDS
 (Continued)

Note 4. Federal Direct Student Loans

The Schedule of Expenditures of Federal Awards includes Federal Direct Student loans which were not made by the University, but were received by its students. The University is responsible only for the performance of certain administrative duties with respect to these loans.

The number of guaranteed loans and the total amount processed for each Direct Loan Program for the year ended June 30, 2025, were as follows:

Program Title	Number of Students	Loan Amount
Direct Loan Program (Subsidized and Unsubsidized)	5,093	\$ 9,342,404
Direct PLUS Loans (Parent(PLUS) and Graduate PLUS)	403	<u>2,148,715</u>
Total		<u>\$ 11,491,119</u>

Note 5. Federal Student Loan Program

The University participates in various loan programs. The University maintains revolving loan funds for the Perkins and Nursing Student Loan Programs. The Perkins Loan and the Nursing Student Loan Programs are administered by the University. The balances and transactions related to these programs are included in the University's financial statements; therefore, the federal expenditures include the entire amount reported in the loan fund which also includes the outstanding loans to students. The following schedule represents loans outstanding as of June 30, 2025:

Program Title	Federal ALN	Loans Outstanding
Federal Perkins Loan Program_Federal Capital Contributions	84.038	\$ 35,355
Nursing Student Loans	93.364	12,601

VINCENNES UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Section I - Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued:

Name of Opinion Unit	Opinion Issued
Business-Type Activities	Unmodified
Discretely Presented Component Unit	Unmodified
Fiduciary Activities	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Noncompliance material to financial statements noted?	no

Federal Awards:

Internal control over major programs:	
Material weaknesses identified?	no
Significant deficiencies identified?	none reported
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	no

Identification of Major Programs and type of auditor's report issued on compliance for each:

Assistance Listings Number	Name of Federal Program or Cluster	Opinion Issued
93.558	Student Financial Assistance Cluster	Unmodified
	TRIO Cluster	Unmodified
	WIOA Cluster	Unmodified
	Temporary Assistance for Needy Families	Unmodified

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

OTHER REPORTS

In addition to this report, other reports may have been issued for the University. All reports can be found on the Indiana State Board of Accounts' website: <http://www.in.gov/sboa/>.



VINCENNES UNIVERSITY

Financial Report



2024-25

VINCENNES UNIVERSITY'S

Mission & Vision

MISSION STATEMENT

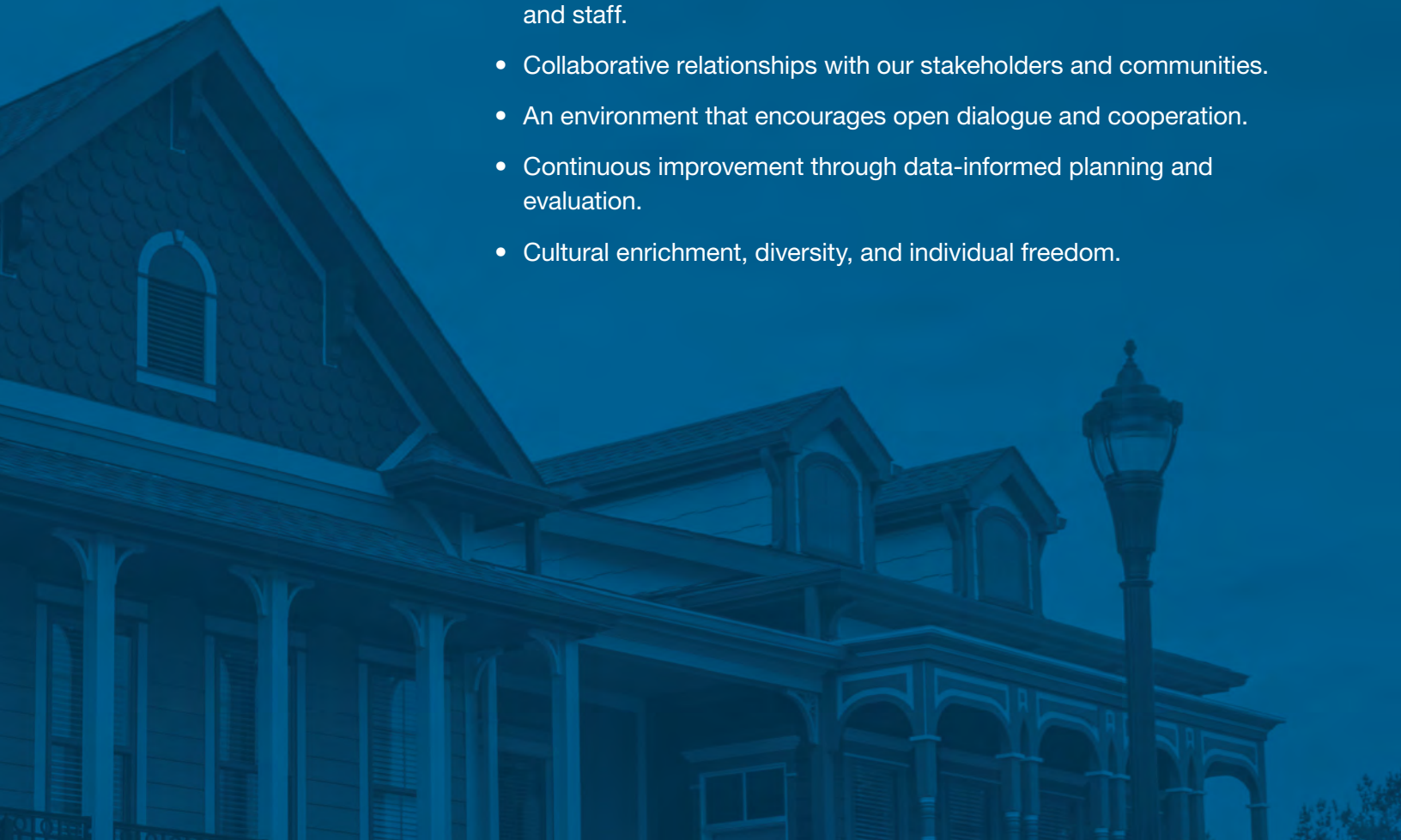
Vincennes University develops people and enhances communities through accessible, high quality educational programs, strategic partnerships, and active engagement.

VISION STATEMENT

Vincennes University is a premier learning institution, widely recognized for leadership in innovation and delivery of successful educational experiences. A broad range of program offerings and a commitment to superior service ensure the University's role as an important link in Indiana's economic and cultural vitality. VU is a diverse community whose members all share responsibility for supporting the University's mission and are respected for their contributions.

VALUES

- Personal growth and academic excellence for our students, faculty, and staff.
- Collaborative relationships with our stakeholders and communities.
- An environment that encourages open dialogue and cooperation.
- Continuous improvement through data-informed planning and evaluation.
- Cultural enrichment, diversity, and individual freedom.



VINCENNES UNIVERSITY

Financial Report

2024-2025

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Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769
Telephone: (317) 232-2513
Fax: (317) 232-4711
www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF VINCENNES UNIVERSITY, VINCENNES, INDIANA

Report on the Audits of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, the discretely presented component unit, and the fiduciary activities of Vincennes University (University), a component unit of the State of Indiana, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the Table of Contents.

In our opinion, based on our audits and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the discretely presented component unit, and the fiduciary activities of the University, as of June 30, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Vincennes University Foundation, Inc. (Foundation), a component unit of the University as described in Note 1, which represents 100 percent, 100 percent, and 100 percent, respectively, of the total assets, net position, and revenues of the discretely presented component unit as of June 30, 2025 and 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended. Those statements, which were audited in accordance with auditing standards generally accepted in the United States of America, but were not audited in accordance with *Government Auditing Standards*, were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the University, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



INDEPENDENT AUDITOR'S REPORT (Continued)

Emphasis of Matter

As discussed in Note 1 to the financial statements, in fiscal year 2025, the University adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

As discussed in Note 17 to the financial statements, the University presented a prior period adjustment at July 1, 2024, to current liabilities, noncurrent liabilities, and net position to reflect changes from the implementation of GASB 101.

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 the 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits 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 auditor's reports that include our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance, and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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.



INDEPENDENT AUDITOR'S REPORT (Continued)

- 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Employer's Share of Net Pension Liability - Teachers' Retirement Fund Pre-1996 Accounts (TRF Pre-1996), the Schedule of Employer Contributions - Teachers' Retirement Fund Pre-1996 Accounts (TRF Pre-1996), the Schedule of Employer's Share of the Net Pension Liability - Teachers' Retirement Fund 1996 Accounts (TRF 1996), the Schedule of Employer Contributions - Teachers' Retirement Fund 1996 Accounts (TRF 1996), the Schedule of Changes in Net OPEB Liability and Related Ratios - Vincennes University Health Care Plan, and the Schedule of the University's Contributions - Vincennes University Health Care Plan 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 audits 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 reports. The other information comprises the Treasurer's Report and Board of Trustees and University Officers, but does not include the basic financial statements and our auditor's reports thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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



INDEPENDENT AUDITOR'S REPORT
(Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 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.



Beth Kelley, CPA, CFE
Deputy State Examiner

October 30, 2025



VINCENNES UNIVERSITY

Treasurer's Report

Dear Blazer Community,

Vincennes University (VU) is a strong institution with a rich history, tracing its roots back to Jefferson Academy in 1801. Today, VU plays a vital role in meeting Indiana's workforce needs by equipping graduates for meaningful careers. As a student-first institution, the University is committed to broadening access to education and helping students succeed, making it a distinctive part of Indiana's educational landscape.

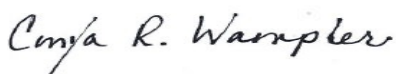
Guided by a clear roadmap, VU focuses on several key priorities: **academic excellence, student success, community engagement, and responsible stewardship of resources**. This strategic vision has led to numerous achievements that demonstrate the University's value to individuals, communities, and the State of Indiana as a whole. Below are just a few examples of how we are engaging in this important work, powering prosperity and success for countless individuals and the diverse communities they represent in Indiana and beyond.

- The new **\$33.9 million Center for Health Sciences and Innovative Learning** (opening Spring 2026) is the largest project in VU's history and will elevate healthcare education.
- VU's **Center for Applied Robotics and Automation** provides Cobot technology workshops, focusing on high school students and educators in rural and underserved communities.
- VU's **Early College program** now includes an online option, giving 9th-12th grade students a flexible and affordable way to earn college credit.
- VU's **Business and Industry program** is steadily expanding its reach. This growth was highlighted at the end of 2024 when the program celebrated a major milestone: the 50th cohort of apprentices graduating from the Mechatronics and Robotics Apprenticeship program. VU is proud to partner with industry to deliver essential industrial maintenance programs.

Looking to the future, the University aims to build a more resilient financial position to sustain its mission and expand its impact. In an era when Indiana needs more highly trained workers, VU is dedicated to being "the Trailblazers" by serving the State's people and contributing to the vitality of its workforce. As VU approaches its 225th anniversary, it will concentrate on three strategic areas: **investing in our students' success, increasing revenue, and containing costs**. These focus areas will ensure that VU remains a strong and vibrant institution for generations to come.

This report is complete and permanent record of Vincennes University for the period stated.

Respectfully submitted,



Conya R. Wampler
University Treasurer/Vice President for Financial Services



Management’s Discussion and Analysis

Vincennes University is pleased to present its financial statements for fiscal year 2025. The following discussion and analysis provides an overview of the financial position and activities of Vincennes University (the “University”) for the fiscal year ended June 30, 2025, along with comparative information for the fiscal years ended June 30, 2024 and June 30, 2023. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes following this section.

One of the first two-year colleges in America, Vincennes University is also Indiana’s oldest college. Located in Vincennes, the University is a comprehensive public institution of higher learning with a fall 2024 enrollment of approximately 9,469 full-time equivalents. The University offers a broad range of degrees including baccalaureate programs. These degrees include Bachelor of Science degrees in Homeland Security and Public Safety, Education (Science, Special Education and Math Concentrations), Nursing, and a growing number of Technology Concentrations. Vincennes University has a statewide mission and is a state-supported university. Major extension sites in Indiana are located in Fort Branch, Jasper, and Indianapolis. The University also offers over 1,000 courses through its Distance Education program and at five military sites across the United States. The University is accredited by the Higher Learning Commission.

The University remains committed to an open admission policy and recognizes that promoting individual growth and development must be its primary consideration. The report presented conveys the financial performance of the University. The financial analysis should be combined with non-financial data for a complete assessment of the University’s performance. The University recognizes its role as a key contributor for programs of community development, cultural enrichment, and services appropriate to a post-secondary educational institution.

Using the Financial Statements

The University’s financial report includes the following financial statements:

1. The three basic financial statements of the University include: Statement of Net Position; the Statement of

Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows.

2. The financial statements for the Vincennes University Foundation are presented discretely from the University: Statement of Financial Position and the Statements of Activities and Changes in Net Assets.
3. The financial statements for the University’s fiduciary funds include: Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position.

The Management’s Discussion and Analysis (MD&A) focuses solely on the University. The notes to the financial statements provide additional information that is essential to a full understanding of the financial statements. The University’s financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities and require that financial statements be presented for aggregate operations which includes the Vincennes University Foundation, Incorporated and the University’s fiduciary funds.



Statement of Net Position

The Statement of Net Position presents the financial position of the University at the end of the fiscal year by reporting all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of the fiscal years presented. The difference between total assets/deferred outflows of resources and total liabilities/deferred inflows of resources, net position, is one indicator of the current financial condition of the University, while the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allowance for depreciation.

A comparison of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at June 30, 2025, 2024, and 2023 is summarized as follows:

Statement of Net Position	2025 (IN THOUSANDS)	Restated* 2024 (IN THOUSANDS)	Restated* 2023 (IN THOUSANDS)
Current Assets	\$ 120,709	\$ 111,973	\$ 88,467
Non-current Assets			
Investments	194,102	163,838	157,133
Capital, Assets, net	291,676	282,164	286,814
Other	27,101	33,137	23,470
Total Assets	\$ 633,588	\$ 591,112	\$ 555,884
Deferred Outflows	\$ 10,229	\$ 3,335	\$ 7,137
Current Liabilities	\$ 24,101	\$ 23,847	\$ 22,585
Non-current Liabilities	20,769	26,480	32,073
Total Liabilities	\$ 44,870	\$ 50,327	\$ 54,658
Deferred Inflows	\$ 13,661	\$ 17,248	\$ 19,532
Net Position	\$ 585,286	\$ 526,872	\$ 488,831

*The fiscal year 2024 net position and liabilities were restated to adopt GASB 101 and the fiscal year 2023 net position has been restated to comply with GASB's interpretation of restrictive OPEB funding.

FISCAL YEAR 2025

As of June 30, 2025, the University's financial position remained solid, with an approximate 8.3 percent increase in total assets and deferred outflows from fiscal year 2024 to fiscal year 2025. This increase is primarily related to the \$38.7 million increase in cash and investments along with the increase of \$9.5 million in the capital assets, net of accumulated depreciation.

Current assets consist mainly of cash, short-term investments, inventory and net accounts receivable. The University's liquidity is excellent. Current assets covered current liabilities by 5.0 times (an improvement from 4.7 times in fiscal year 2024), providing substantial working capital to manage short-term obligations.

The University's non-current assets expanded by \$33.7 million. This significant growth chiefly reflects a \$30.3 million gain in long-term investments, capitalizing on favorable market conditions. Other key components of the non-current asset change include a net \$9.5 million increase in capital assets, attributable to ongoing construction of the new Center for Health Sciences & Learning Innovation facility and a \$6.0 million decrease related to the Other Post-Employment Benefits (OPEB) plan, following the adjustment of the long-term expected rate of return from 6.20% to 5.80%.

A \$10.2 million deferred outflow of resources was reported. This deferred item, which will be recognized over the next five years, is primarily linked to actuarial assumptions and experience adjustments within the OPEB plan, as per GASB 75.

Total current liabilities include all liabilities that are payable within the next fiscal year and consist primarily of accounts payable, bonds payable, accrued compensation, compensated absences, deposits held in custody, and unearned revenue. While the total current liabilities remained steady, two key internal shifts occurred which included accounts payable and payroll decreasing by approximately \$873,000 due to the timing of payments related to construction projects; and other liabilities increasing approximately \$832,000 as a result of changes in the health insurance reserve. Also, the compensated absence liability increased slightly during fiscal year 2025. This increase is noteworthy, as it reflects to the adoption of GASB Statement No. 101, *Compensated Absences*. This standard required the University to recognize and measure a liability for compensated absences (including sick leave), necessitating a restatement of the fiscal year 2024 financial statements.

The largest non-current liability for the University is outstanding bonds payable. Non-current liabilities saw a decrease of \$5.7 million. This change was mainly due to the reclassification of \$5.6 million of outstanding bonds payable, which are now recognized as the current portion of long-term debt and a slight decrease in the non-current portion of Subscription-Based Information Technology Arrangements (SBITAs) and leases payable. More detailed information on long-term debt, SBITAs, and leases is available in the Notes to the Financial Statements.



Deferred inflows of resources totaled \$13.7 million. These amounts represent acquired net assets applicable to a future reporting period and will be recognized as revenue over time. The increase in deferred inflows was largely driven by a \$13.2 million amount tied to the Other Post-Employment Benefits (OPEB) plan. This specific increase resulted from the difference between expected and actual experience and changes in actuarial assumptions within the OPEB plan. This \$13.2 million will be amortized (expensed) over five years.

FISCAL YEAR 2024

As of June 30, 2024, the University's financial position remained solid, with an approximate 5.6 percent increase in total assets and deferred outflows from fiscal year 2023 to fiscal year 2024. This increase is primarily related to the \$28.1 million increase in cash and investments along with the increase of \$5.8 million in the OPEB assets and the OPEB deferred outflows.

Current assets consist mainly of cash, short-term investments, inventory and net accounts receivable. As of June 30, 2024, and 2023, current assets covered current liabilities by 4.7 times and 3.9 times, an indicator of good liquidity and the ability to weather short term demands on working capital.

Non-current assets increased \$11.7 million from 2023. The majority of this fluctuation is related to the \$9.6 million increase in the OPEB asset as a result of favorable market conditions. Capital projects consist of replacement, renovation and new construction of academic and auxiliary buildings. Capital assets, net of depreciation and amortization decreased \$4.7 million during fiscal year 2024 which was directly related to the increase in depreciation expense and aging of assets. Projects finalized during 2024 included the HVAC projects on the Vincennes and Jasper campuses along with several replacement and renovation projects. The University ended the fiscal year with \$5.3 million in building leases, net of depreciation and \$2.2 million in SBITAs, net of depreciation. Construction in progress totaled \$5.1 million which was primarily related to the new health sciences building and several chiller and HVAC replacement and renovation projects. Long term investments increased \$6.7 million as a result of market conditions.

Deferred outflows of resources represent consumption of net assets that are applicable to a future reporting period. The deferred outflow of \$3.3 million is primarily a result of the amortization of the change in assumptions, the net difference between the expected and actual experience, and the net difference between projected and actual earnings

in the plan investments of the OPEB plan. The deferred outflow will be amortized over 5 years as required by GASB 75.

Total current liabilities include all liabilities that are payable within the next fiscal year and consist primarily of accounts payable, bonds payable, accrued compensation, compensated absences, deposits held in custody, and unearned revenue. Overall current liabilities had an increase of \$1.3 million with the most significant change being the \$2.6 million increase in accounts payable and payroll liabilities. This rise was attributable both to the payment timing for payroll and construction. This growth was partially tempered by a \$1.1 million reduction in the health insurance reserve and the \$500,000 restatement of compensated absences' liability mandated by the new GASB 101 standard.

The largest non-current liability for the University is outstanding bonds payable. Non-current liabilities decreased \$5.6 million which consist primarily of recognizing the current portion of bonds payable for \$5.5 million and the current portion of SBITAs and leases payable increased \$1.0 million. More detailed information concerning the University's long-term debt, SBITAs and leases are presented in the Notes to the Financial Statements. Also, the compensated absences increased approximately \$900,000. This increase is noteworthy, as it reflects to the adoption of GASB Statement No. 101, *Compensated Absences*, during fiscal year 2025. This standard required the University to recognize and measure a liability for compensated absences (including sick leave), necessitating a restatement of the fiscal year 2024 financial statements.

Deferred inflows of resources represent an acquisition of net assets applicable to a future reporting period and will not be recognized as revenue until that reporting period. The deferred inflows totaled \$17.2 million, representing the difference between the expected and actual experience of the OPEB plan and the change in assumptions, which will be amortized over a period of 5 years.



Net Position

Net position represents the residual interest in the University's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. A summarized comparison of the University's net position is presented below:

Summary of Net Position	2025 (IN THOUSANDS)	Restated* 2024 (IN THOUSANDS)	Restated* 2023 (IN THOUSANDS)
Net Investment in Capital Assets	\$ 265,041	\$ 250,072	\$ 248,199
Restricted:			
Non-expendable	2,380	2,380	2,379
Expendable	47,397	46,831	30,255
Unrestricted:			
Designated - Capital & Other	20,645	19,739	22,114
Designated for Quasi Endowment	21,083	19,906	19,285
General Operations	176,273	139,920	121,767
Auxiliary	52,467	48,024	44,832
Total Net Position	\$ 585,286	\$ 526,872	\$ 488,831

*The fiscal year 2024 unrestricted net position was restated to adopt GASB 101 and the fiscal year 2023 restricted net position has been restated to comply with GASB's interpretation of restrictive OPEB funding.

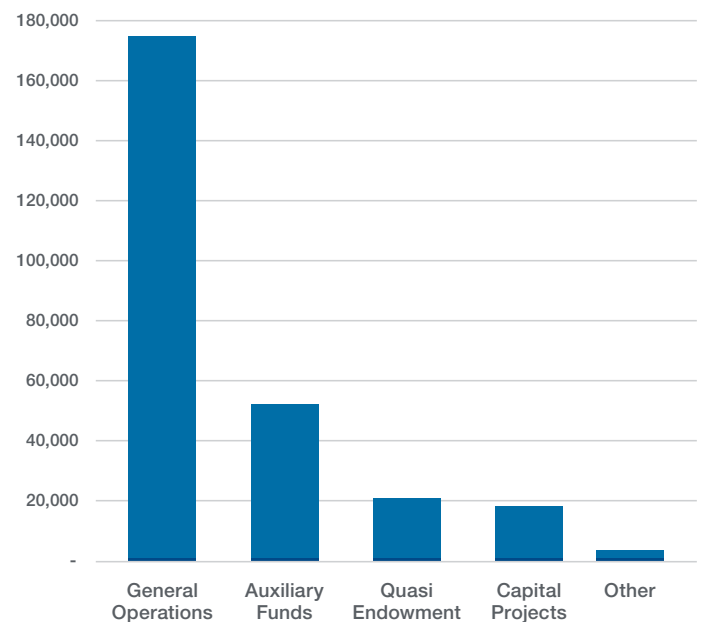
Net Investment in Capital Assets represents the institution's equity in property, plant and equipment net of accumulated depreciation, amortization, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets, or related debt, are included in this component of net position. Net Investment in Capital Assets increased \$15.0 million from 2024 to 2025, a change directly tied to the construction in progress for the new Center of Health Sciences & Innovation Learning facility. In the prior year (2023 to 2024), this balance grew by \$1.9 million, resulting from \$3.3 million in construction activity, net of amortization for leases and SBITA.

Restricted net position is the restricted component of net position which consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. *Restricted net position non-expendable* primarily includes the University's permanent endowment funds. The corpus of these resources is only available for investment purposes. This amount remains unchanged from the previous year.

Restricted net position - expendable is subject to externally imposed restrictions governing its use. This category of net position includes funds restricted for capital projects, external loan funds, and scholarship funds. During fiscal year 2025, restricted net position increased approximately \$600,000 which was related to the \$9.1 million increase in funds held for the new Center of Health Sciences & Learning Innovation project offset by the \$6.0 million decrease in the OPEB asset and the \$2.2 million decrease in the funds held for the Avionics training program. For 2024, capital appropriations totaling \$3.7 million and \$2.7 million were spent on the completion of several infrastructure projects. The OPEB Assets was reclassified from unrestricted to restricted as directed by GASB. This change was restated in 2023.

Unrestricted net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. Unrestricted Net Position represents the remaining net assets, offering the University the most operational flexibility. While not externally restricted, management often designates these funds for internal needs like auxiliaries, dorm reserves, and future repair/replacement projects. This component grew steadily between 2023–2025, primarily due to improved University earnings and a decrease in unrealized investment losses. The fiscal year 2024 net position was restated to adopt GASB 101 and the fiscal year 2023 net position has been restated to comply with GASB's interpretation of restrictive OPEB funding.

Unrestricted Net Position - 2025
(in thousands of dollars)



Statement of Revenues, Expenses, and Changes in Net Position

Changes in total net position are the result of activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of this statement is to present the operating and non-operating revenues, operating and non-operating expenses, other revenues, expenses, gains, losses, and changes in net position. Governmental appropriations, while budgeted for operations, are considered non-operating revenues as defined by GASB Statement No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34*. A condensed statement for the years ended June 30, 2025, 2024 and 2023 is provided below:

Statement of Revenues, Expenses, and Changes in Net Position	2025 (IN THOUSANDS)	Restated* 2024 (IN THOUSANDS)	2023 (IN THOUSANDS)
Operating Revenues:			
Tuition & Fees, Net	\$ 18,380	\$ 19,001	\$ 19,047
Auxiliary, Net	9,064	8,558	7,181
Grants and Contracts	23,315	26,679	26,786
Other	6,013	5,443	5,329
Total Operating Revenues	\$ 56,772	\$ 59,681	\$ 58,343
Operating Expenses	124,466	119,813	125,468
Net Operating Loss	\$ (67,694)	\$ (60,132)	\$ (67,125)
Non-Operating Revenues (Expenses):			
Governmental Appropriations	60,016	63,794	57,626
Federal and State Student Aid	17,321	15,353	13,604
State Grant Revenue	1,498	1,879	7,431
Other Grants and Contracts	-	-	2,781
Gifts (including endowment and capital)	1,680	690	425
Investment and Endowment Income	16,838	10,096	(3,165)
Gain (Loss) on Disposition of Capital Assets	(5)	(3)	10
Other Income and Expense	(585)	(646)	(728)
Total Non-Operating Revenue	\$ 96,763	\$ 91,163	\$ 77,984
Income before Other Revenues, Expenses, Gains or Losses	\$ 29,069	\$ 31,031	\$ 10,859
Other Revenues, Expenses, Gains or Losses			
Capital Appropriations	29,345	7,010	1,005
Increase in Net Position	\$ 58,414	\$ 38,041	\$ 11,864
Net Position - Beginning of Year	526,872	488,831	476,967
Net Position - End of Year	\$ 585,286	\$ 526,872	\$ 488,831

*The fiscal year 2024 operating expenses and net position were restated to adopt GASB 101.



Revenues

FISCAL YEAR 2025

Total University revenues reached \$183.5 million, encompassing operating revenue, non-operating revenue and capital appropriations. In general, operating revenues are earned from providing goods and services, including tuition and fees, housing and other auxiliary activity, grants and contracts, and other operating activities. Non-operating revenues include state appropriations, revenue from certain grants and contracts, gifts, and investment income.

Overall operating revenues declined by \$2.9 million from the prior year, driven by the following activities:

- Net student tuition and fees decreased 3.3%. This drop occurred despite a 3.5% tuition rate increase because a corresponding increase in scholarship allowances essentially offset the price hike. The rise in scholarship allowances was driven by about \$1.7 million in additional funding from Pell and state aid programs.
- Auxiliary revenues are generated primarily from student housing, bookstores, student activities, and workshops. These revenues increased 5.9%, primarily due to an increased number of Amazon program students residing in campus housing.
- A \$3.4 million decrease in grants and contracts from 2024 to 2025 was driven by significant program changes. The Generations programs' funding was cut by \$1.1 million, and the prior year's \$2.7 million Charting the Future grant from the Lilly Foundation (received in FY 2024) contributed to the remaining decrease. The University received an estimated 46 percent of grant and contract revenue from federal agencies, 43 percent from state agencies, and 11 percent from nongovernmental agencies in fiscal year 2025.
- Other operating revenue increased 10.5% from the previous year as a result of increase revenue from the Amazon program.

Non-operating revenue includes investment income, appropriations, and other gains/losses which included the following activities:

- Investment and endowment income increased significantly by \$6.7 million, reflecting favorable market conditions and higher rates of return during the fiscal year.
- The \$3.8 million decline in state appropriations was offset by a \$4.5 million avionics training that was recorded in fiscal year 2024, creating a comparative reduction in the current year's figures. Separately, \$711,600 in prospective funding was received during fiscal year 2025.

Capital appropriations had a net increase of \$22.3 million. This change was driven by the capital draws for the new Center for Health Sciences & Learning Innovation (\$28.1 million in 2025 versus \$5.8 million in 2024).

FISCAL YEAR 2024

Total University revenues of \$158.5 million consist of operating revenue, non-operating revenue and capital appropriations. In general, operating revenues are earned from providing goods and services, including tuition and fees, housing and other auxiliary activity, grants and contracts, and other operating activities. Non-operating revenues include state appropriations, revenue from certain grants and contracts, gifts, and investment income.

Overall operating revenues increased \$1.3 million from the prior year. The changes in revenue are related to the following activities:

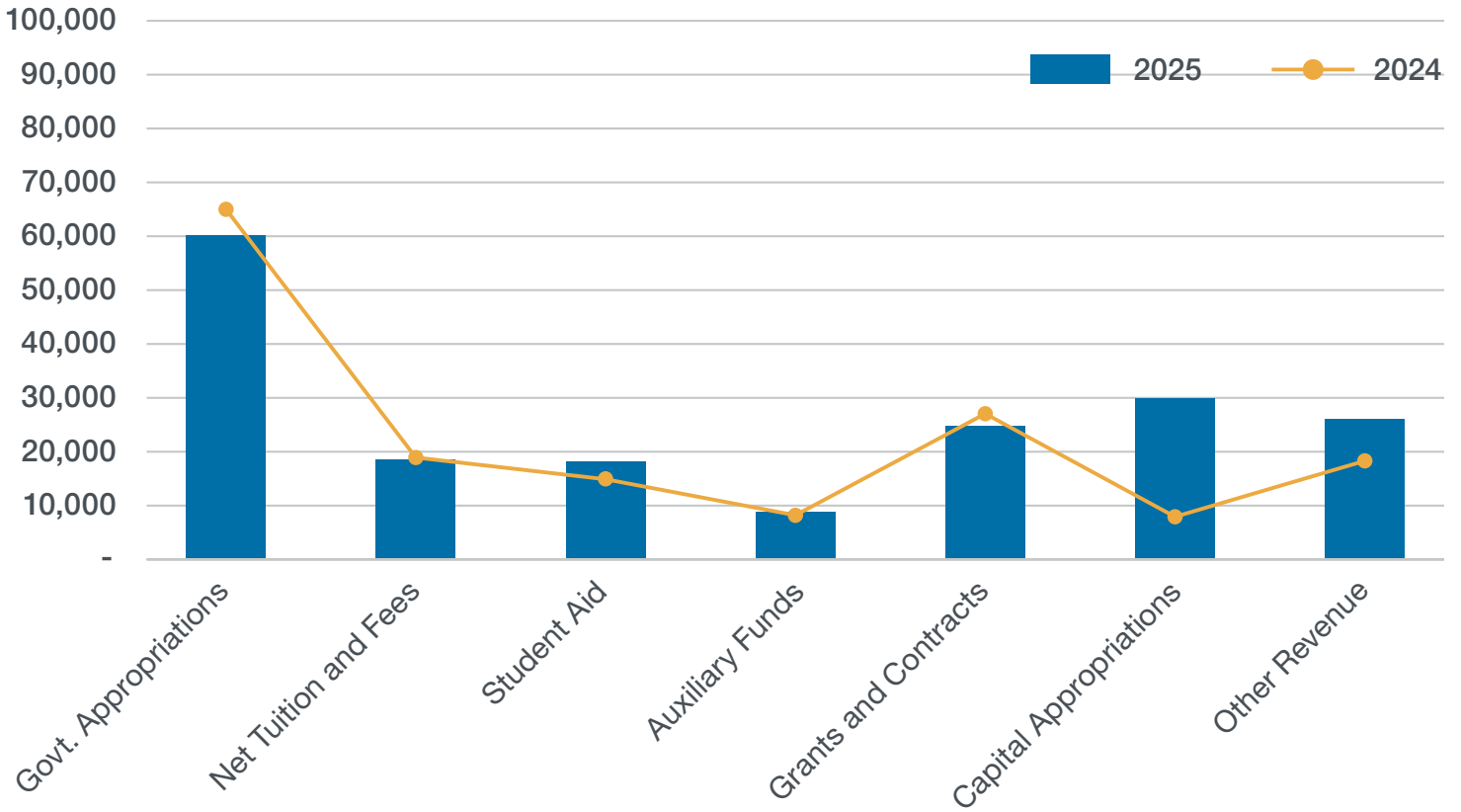
- Student tuition and fees, net of scholarship allowances and bad debt remained relatively flat. The increase in tuition rates of 3.5% was offset by the increase in scholarship allowance. Both Pell and state aid increased approximately \$1 million each from the previous year.
- Auxiliary revenues are generated primarily from student housing, bookstores, student activities, and workshops. Net auxiliary revenues increased \$1.4 million which was related to an increased number of students in the Amazon program who reside in campus housing.
- Grants and contracts revenue remained relatively unchanged from 2023 to 2024. The University received an estimated 40 percent of grant and contract revenue from federal agencies, 34 percent from state agencies, and 26 percent from nongovernmental agencies in fiscal year 2024.
- Other revenue remained relatively unchanged from the prior year.

Non-operating revenue includes the revenue in the other revenues, expenses and gains or losses category along with the prior period adjustment. The investment and endowment income increased \$13.3 million due to higher rates of return on investments for the period. State and capital appropriations increased \$12.2 million which included the \$4.5 million received for the aviation training at VU's Aviation Tech Center in Indianapolis, the \$5.8 million draw for the new health sciences building and increased operating appropriations for the general fund and the dual credit programs. The state grant revenue decreased as a result of the State funding the TRF Pre-96 DB with a special appropriation totaling \$3.2 billion in fiscal year 2023. See the notes for additional information regarding the TRF plans.



Revenue by Source

(in thousands of dollars)



Expenses

A comparative of the University's expenses for the years ending June 30, 2025, 2024, and 2023 is as follows:

Expense by Natural Object	2025 (IN THOUSANDS)	Restated* 2024 (IN THOUSANDS)	2023 (IN THOUSANDS)
Operating:			
Compensation and benefits	\$ 65,161	\$ 59,993	\$ 65,958
Supplies, services and equipment	37,697	38,734	38,252
Depreciation	17,992	18,001	17,359
Scholarships and fellowships	3,616	3,085	3,899
Total Operating Expenses	\$ 124,466	\$ 119,813	\$ 125,468
Non-operating:			
Interest and other	593	664	728
Total Expenses	\$ 125,059	\$ 120,477	\$ 126,196

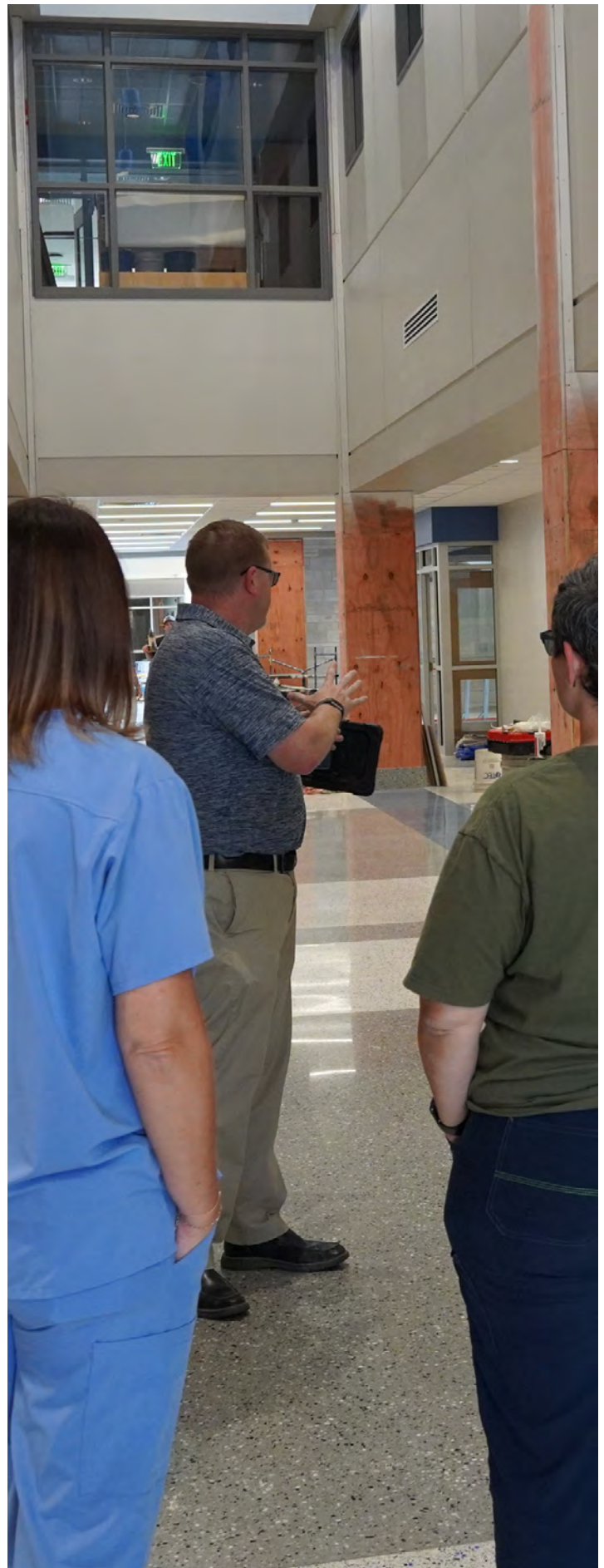
*The fiscal year 2024 compensation and benefits was restated to adopt GASB 101.

FISCAL YEAR 2025

For fiscal year 2025, total expenses of \$125.1 million included operating expenses of \$124.5 million and interest expense and other non-operating expenses of \$593,000.

Operating expenses increased \$4.7 million during fiscal year 2025, driven primarily by the following:

- Total compensation and benefits increased by \$5.2 million between 2024 and 2025. A \$3.4 million investment provided salary and related benefit increases for all faculty and staff effective July 1, 2024, following a compensation study. The remaining increase primarily resulted from two adjustments: a \$1.4 million retroactive increase in compensated absences (a 2024 salary adjustment following the adoption of GASB 101) and an increase in benefit costs due to a change in the valuation of the OPEB asset.
- A \$1.0 million overall decrease in supplies, services, and equipment from 2024 to 2025 resulted mainly from a \$1.1 million reduction in contracted services. This reduction is because the State-funded avionics training initiative at the Aviation Technology Center had incurred the majority of its expenditures in the prior year (fiscal year 2024).
- The Scholarships and fellowships expenses increased slightly by \$531,695, following an increase in institutional scholarship awards.



FISCAL YEAR 2024

For fiscal year 2024, total expenses of \$120.5 million included operating expenses of \$119.8 million and interest expense and other non-operating expenses of \$664,000.

Operating expenses decreased \$5.7 million during fiscal year 2024. Significant changes include:

- Compensation and benefits decreased \$6.0 million from 2023 to 2024 as a result of the decrease in \$3.6 million actuarial changes for the retiree postemployment benefits and a \$5.6 million dollar decrease as a result of the State funding the TRF Pre-96 DB with a special appropriation totaling \$3.2 billion in fiscal year 2023. This decrease was offset by the 4% wage increase totaling \$1.6 million. A subsequent restatement of the 2024 accruals for compensated absences, mandated by GASB 101, totaled \$1.4 million.
- Overall, supplies, services and equipment increased approximately \$482,000 from 2023 to 2024. Utilities decreased approximately \$1.1 million returning to 2022 levels and contracted services increased \$1.6 million as a result of a new aviation training initiative at Aviation Technology Center in Indianapolis which is being funded by the State.
- Depreciation increased approximately \$642,000 from the additions of the HVAC projects on the Vincennes and Jasper campuses.
- Scholarships and fellowships decreased slightly by \$814,000 during fiscal year 2024 which followed the decrease in the residential housing scholarship offerings.



Statement of Cash Flows

The Statement of Cash Flows provides information about the University's financial results by reporting the major sources and uses of cash. Cash received from operations primarily consists of student tuition, sponsored programs, and auxiliary revenues. Significant sources of cash provided by non-capital financing activities, as defined by GASB, include state appropriations and gifts used to fund operating activities. For higher education institutions, these cash inflows are critical to funding the operations of the University.

Economic Factors that Will Affect the Future

The University is actively addressing the current environment and economic uncertainties through strategic planning, conservative spending, and prudent management. A core part of this effort is the continuous drive to attract students while simultaneously increasing the marketable value of the education provided.

Crucially, the University's future is tied to its relationship with the State of Indiana. Governmental funding often poses a fiscal risk for public higher education, with the University benefitting during a robust state economy with increased funding and conversely receiving no (or decreased) funding in stagnant or declining state economies. The latter proved to be the case for Indiana's higher ed institutions, including VU, for the fiscal year 2026 and fiscal year 2027 biennial funding cycle. State appropriations were cut five percent (\$5.4 million) for the





biennium with an additional cut of \$4.4 million to be held in reserve. In addition, universities are required to keep tuition rates flat for each year.

Even with these funding challenges VU, with its long history of conservative financial management, was able to overcome these cuts and construct a solid financial plan for the next two years. This plan will allow VU to weather the current financial storm due to the state funding cuts and provide the necessary resources for the high-quality student instruction that VU has, and always will be known for. In addition, the institution's financial stability is underpinned by several major strengths, including a diverse source of revenues drawn from state appropriations, tuition and fees (net of scholarship allowances), auxiliary units' revenue, and federally sponsored grants and contracts.

To sustain the high quality of the University's academic and residential life, we must be effective financial stewards of our capital assets. This means wisely investing in building renovations, new construction, and updated equipment and information systems. Our major current project, the state-supported Center for Health Sciences and Learning Innovation, exemplifies this commitment. This new \$34 million facility will open in Spring 2026 offering state-of-the-art healthcare classroom instruction, clinical simulations, and a new active learning center.

Addressing the ongoing challenge of employee recruitment and retention, the University is prioritizing improvements to employee relations and benefits. Following the 2024 compensation study the University is dedicated to maintaining the employee compensation levels to market. Furthermore, to combat rising healthcare costs, we are committed to holding employee health insurance premiums steady. Moving forward, these actions, along with expanded wellness initiatives and new onboarding and training programs, will ensure Vincennes University remains competitive in attracting and retaining top faculty and staff.

Moving forward, Vincennes University anticipates that fiscal year 2026 and subsequent years will present both challenges and opportunities. The University is prepared to meet the future with the same strategic leadership and flexible management that define its successful history.



Vincennes University Statement of Net Position

AS OF JUNE 30, 2025 AND JUNE 30, 2024

Assets	2025	Restated* 2024
Current Assets		
Cash and Cash Equivalents	\$ 43,838,517	\$ 27,014,563
Short-term Investments	65,106,278	73,481,027
Accounts Receivable (Less Allowance of \$1,389,491 2025 and \$1,659,524 2024)	7,103,137	7,403,984
Current Portion of Notes Receivable	39,969	39,915
Inventories	1,508,368	1,528,256
Accrued Interest Income	1,181,211	1,106,327
Prepaid Expenses	1,930,825	1,398,760
Total Current Assets	\$ 120,708,305	\$ 111,972,832
Non-current Assets		
Investments	\$ 194,101,525	\$ 163,838,052
Net OPEB Asset	26,816,225	32,805,406
Notes Receivable	6,311	12,978
Lease Receivable	278,612	318,358
Capital Assets, Net of Accumulated Depreciation	291,676,408	282,163,778
Total Non-current Assets	\$ 512,879,081	\$ 479,138,572
Total Assets	\$ 633,587,386	\$ 591,111,404
Deferred Outflows		
Deferral of Resources Indiana State Teachers' Pension Plan	\$ 127,094	\$ 139,757
Deferral of Resources OPEB	10,094,977	3,186,511
Deferral of Bond Refunding Series N	7,284	8,741
Total Deferred Outflows	\$ 10,229,355	\$ 3,335,009
Liabilities		
Current Liabilities		
Accounts Payable	\$ 2,972,118	\$ 4,204,134
Accrued Payroll and Deductions Payable	2,887,023	2,527,698
Compensated Absences	2,104,500	1,914,422
Unearned Revenue	1,835,618	1,952,045
Accrued Interest on Debt	61,843	73,093
Bonds Payable	5,637,200	5,542,800
Lease Payable	402,039	376,512
Subscription Payable	1,053,327	901,082
Deposits	198,602	239,047
Other Liabilities	6,948,349	6,116,254
Total Current Liabilities	\$ 24,100,619	\$ 23,847,087
Non-current Liabilities		
Bonds Payable	\$ 12,989,600	\$ 18,626,800
Net Pension Liability	144,779	107,983
Compensated Absences	852,184	866,536
Lease Payable	4,949,500	5,289,757
Subscription Payable	1,550,919	1,292,120
Advances from Federal Government	282,235	296,620
Total Non-current Liabilities	\$ 20,769,217	\$ 26,479,816
Total Liabilities	\$ 44,869,836	\$ 50,326,903
Deferred Inflows		
TRF Pension Contributions	\$ 90,317	\$ 110,040
Net Differences in OPEB	13,237,304	16,791,834
Deferral of Leases	331,594	342,803
Deferral of Bond Refunding	1,955	3,258
Total Deferred Inflows	\$ 13,661,170	\$ 17,247,935
Net Position		
Net Investment in Capital Assets	\$ 265,041,329	\$ 250,071,658
Restricted for:		
Non-Expendable:		
Scholarships & Instruction	2,379,585	2,379,585
Expendable:		
Capital Projects	14,823,891	5,675,035
Loan Funds	117,438	114,888
Scholarships, Grants, Instruction, & Other	32,455,630	41,041,450
Unrestricted	270,467,862	227,588,959
Total Net Position	\$ 585,285,735	\$ 526,871,575

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



Component Unit – Statement of Financial Position

AS OF JUNE 30, 2025 WITH COMPARATIVE FIGURES FOR 2024

Assets	June 30, 2025	June 30, 2024
Current Assets		
Cash	\$ 357,304	\$ 1,203,877
Other Accounts Receivable	8,160	1,664
Accrued Interest Receivable	72,862	76,579
Pledges Receivable	394,028	1,623,486
Prepaid Expense	5,950	41,239
Total Current Assets	\$ 838,304	\$ 2,946,845
Endowment Investments	\$ 51,988,010	\$ 46,039,818
Restricted Investments	85,114,005	79,755,312
Equipment	8,107	8,107
Accum. Deprec. - Equipment	(8,107)	(8,107)
Property	998,139	998,139
Total Assets	\$ 138,938,458	\$ 129,740,114
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 2,047	\$ 3,794
Vacation Accrual	23,865	14,244
Deferred Income Other	39,030	70,285
Due V.U. General Fund	44,534	33,101
Total Current Liabilities	\$ 109,476	\$ 121,424
Funds Held in Trust	\$ 77,225,606	\$ 71,849,250
Total Liabilities	\$ 77,335,082	\$ 71,970,674
Net Assets		
Without Donor Restrictions	\$ 5,388,532	\$ 3,944,867
With Donor Restrictions	56,214,844	53,824,573
Total Net Assets	\$ 61,603,376	\$ 57,769,440
Total Liabilities and Net Assets	\$ 138,938,458	\$ 129,740,114

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



Vincennes University Statement of Fiduciary Net Position

FIDUCIARY FUNDS AS OF JUNE 30, 2025 AND JUNE 30, 2024

Assets	2025		2024	
		Other Postemployment Benefit (OPEB) Trust		Other Postemployment Benefit (OPEB) Trust
Cash and Cash Equivalents	\$	1,827,691	\$	557,688
Accrued Interest Receivable		\$9,038		9,224
Investments at Fair Value:				
Equities		28,753,245		28,347,069
Mutual Funds		46,383,596		42,635,884
Total Investments	\$	75,136,841	\$	70,982,953
Total Assets	\$	76,973,570	\$	71,549,865

Net Position

Restricted for:

OPEB	\$	76,973,570	\$	71,549,865
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The accompanying Notes to the Financial Statements are an integral part of this statement.



Vincennes University Statement of Revenues, Expenses, and Changes in Net Position

FOR THE YEAR ENDED JUNE 30, 2025 AND JUNE 30, 2024

	2025	Restated* 2024
Operating Revenues		
Student Tuition & Fees	\$ 36,578,174	\$ 35,468,530
Scholarship Allowance-Tuition & Fees	(18,198,451)	(16,467,235)
Grants and Contracts	23,315,042	26,678,764
Auxiliary Enterprises	13,717,927	13,141,957
Scholarship Allowance-Auxiliary Enterprises	(4,653,594)	(4,583,981)
Other Revenues	6,012,550	5,442,697
Total Operating Revenues	\$ 56,771,648	\$ 59,680,732
Operating Expenses		
Salaries and Wages	51,004,946	49,141,008
Benefits	14,156,117	10,852,631
Scholarships and Fellowships	3,616,285	3,084,590
Supplies and Other Services	35,146,356	36,139,190
Equipment	2,549,937	2,595,234
Depreciation	17,992,158	18,000,637
Total Operating Expenses	\$ 124,465,799	\$ 119,813,290
Operating Loss	\$ (67,694,151)	\$ (60,132,558)
Non-Operating Revenues (Expenses)		
Governmental Appropriations	60,015,877	63,794,150
Federal and State Student Aid	17,320,932	15,352,808
State Grant Revenue	1,498,168	1,879,310
Gifts and Bequests	1,680,271	689,590
Investment Income	15,373,641	9,215,419
Endowment Income	1,464,080	880,982
Loss on Disposition of Capital Assets	(4,775)	(2,866)
Interest & Other Costs on Capital Asset - Related Debt	(588,440)	(661,193)
Other Non-Operating Revenues	3,327	14,985
Total Non-Operating Revenues	\$ 96,763,081	\$ 91,163,185
Income before other revenues, expenses, gains or losses	\$ 29,068,930	\$ 31,030,627
Other Revenues, Expenses, Gains or Losses		
Capital Appropriations	29,345,230	7,009,650
Increase in Net Position	\$ 58,414,160	\$ 38,040,277
Net Position - Beginning of Year	\$ 526,871,575	\$ 488,831,298
Net Position - End of Year	\$ 585,285,735	\$ 526,871,575

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



Component Unit – Statements of Activities and Changes in Net Assets

FOR THE YEAR ENDED JUNE 30, 2025 WITH COMPARATIVE FIGURES FOR 2024

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
Support and Revenue				
Contributions	\$ 153,527	\$ 1,007,214	\$ 1,160,741	\$ 5,596,277
Grants and Contracts	-	232,273	232,273	499,833
Other Income	57,750	263,695	321,445	238,690
Investment Income	120,141	2,405,625	2,525,766	1,990,722
Unrealized Gain on Investments	264,727	3,309,805	3,574,532	3,965,505
Administrative Income	536,462	-	536,462	457,054
Alumni Income & Community Series	-	101,324	101,324	107,711
Total Support and Revenue Before Releases	\$ 1,132,607	\$ 7,319,936	\$ 8,452,543	\$ 12,855,792
Net Assets Released From Restrictions	\$ 4,929,665	\$ (4,929,665)	\$ -	\$ -
Total Support and Revenue	\$ 6,062,272	\$ 2,390,271	\$ 8,452,543	\$ 12,855,792
Expenses				
Program Services	\$ 3,464,307	\$ -	\$ 3,464,307	\$ 5,761,763
Management and General	807,419	-	807,419	892,779
Fundraising	346,881	-	346,881	313,821
Total Expenses	\$ 4,618,607	\$ -	\$ 4,618,607	\$ 6,968,363
Total Change in Net Assets	\$ 1,443,665	\$ 2,390,271	\$ 3,833,936	\$ 5,887,429
Net Assets, Beginning of Year	\$ 3,944,867	\$ 53,824,573	\$ 57,769,440	\$ 51,882,011
Net Assets, End of Year	\$ 5,388,532	\$ 56,214,844	\$ 61,603,376	\$ 57,769,440

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



Vincennes University Statement of Changes in Fiduciary Net Position

FIDUCIARY FUNDS AS OF JUNE 30, 2025 AND JUNE 30, 2024

	2025		2024	
Additions	Other Postemployment Benefit (OPEB) Trust		Other Postemployment Benefit (OPEB) Trust	
Contributions Received (Employer)	\$	59,050	\$	59,050
Investment Income				
Net Increase in the Fair Value of Investments		3,077,869		4,093,464
Interest and Dividends		4,211,279		3,362,113
Net Investment Income	\$	7,289,148	\$	7,455,577
Total Additions	\$	7,348,198	\$	7,514,627
Deductions				
Benefit Payments	\$	1,880,107	\$	1,942,026
Administrative Expenses		44,386		44,404
Total Deductions	\$	1,924,493	\$	1,986,430
Net Increase in Fiduciary Net Position	\$	5,423,705	\$	5,528,197
Net Position - Beginning	\$	71,549,865	\$	66,021,668
Net Position - Ending	\$	76,973,570	\$	71,549,865

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



Vincennes University Statement of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2025 AND JUNE 30, 2024

	2025	Restated* 2024
Cash Flows From (For) Operating Activities		
Tuition and Fees	\$ 19,576,711	\$ 18,346,229
Grants and Contracts	22,969,253	26,574,661
Payments to Suppliers	(38,546,452)	(39,179,615)
Payments to Employees	(50,499,778)	(47,904,460)
Payments for Benefits	(17,071,990)	(16,182,047)
Payments for Scholarships and Fellowships	(3,616,285)	(3,084,590)
Collection of Loans to Students	6,613	62,905
Repayments of Advances from Federal Government	(14,385)	(31,935)
Auxiliary Enterprise	8,990,929	8,418,147
Other Receipts	5,107,864	5,426,610
Net Cash Used in Operating Activities	\$ (53,097,520)	\$ (47,554,095)
Cash Flows From Non-Capital Financing Activities		
Governmental Appropriations	\$ 60,461,030	\$ 63,348,997
Gifts and Grants for Other than Capital Purposes	18,722,520	15,942,449
Net Cash Provided by Non-capital Financing Activities	\$ 79,183,550	\$ 79,291,446
Cash Flows From (For) Capital and Related Activities		
Capital Appropriations	\$ 29,345,230	\$ 7,009,650
Proceeds from Sale of Capital Assets	137,969	15,535
Insurance Recovery	(1,855)	2,499
Purchases of Capital Assets and Construction	(25,821,426)	(12,810,055)
Principal Paid on Capital Lease	(587,823)	(536,102)
Principal Paid on Capital Subscription	(1,306,869)	(1,255,315)
Principal Paid on Capital Debt	(5,542,800)	(5,442,000)
Interest Paid on Capital Debt, Leases, and Subscriptions	(358,614)	(450,812)
Net Cash Used in Capital and Related Financing Activities	\$ (4,136,188)	\$ (13,466,600)
Cash Flows From (For) Investing Activities		
Proceeds from Sales and Maturities of Investments	\$ 98,669,053	\$ 81,853,376
Investment Income	10,813,705	8,969,829
Purchase of Investments	(114,608,646)	(109,977,476)
Net Cash Used in Investing Activities	\$ (5,125,888)	\$ (19,154,271)
Net Increase (Decrease) in Cash	\$ 16,823,954	\$ (883,520)
Cash and Cash Equivalents - Beginning of Year	27,014,563	27,898,083
Cash and Cash Equivalents - End of Year	\$ 43,838,517	\$ 27,014,563

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



Vincennes University Statement of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2025 AND JUNE 30, 2024

	2025	Restated* 2024
Reconciliation of Net Operating Revenues (Expenses) to Net Cash Provided by (Used in) Operating Activities:		
Net Operating Revenues and Expenses	\$ (67,694,151)	\$ (60,132,558)
Adjustments to Reconcile Net Operating Revenues (Expenses) to Net Cash Provided by (Used in) Operating Activities		
Depreciation Expense	17,992,158	18,000,637
Changes in Assets and Liabilities:		
Receivables, Net	1,443	(234,621)
Other Receipts	28,539	26,463
Inventories	19,888	(133,003)
Other Assets	(532,065)	(1,069,458)
Student Loans	6,613	62,905
Advances from Federal Government	(14,385)	(31,935)
Net OPEB Asset	(4,473,815)	(8,099,366)
TRF Benefit	1,528,059	1,883,011
Accounts Payable and Accrued Liabilities	94,684	2,853,334
Unearned Income	(116,427)	(722,656)
Other Non-Operating Revenues (Expenses)	61,939	43,152
Net Cash Used in Operating Activities	\$ (53,097,520)	\$ (47,554,095)

Supplemental Noncash Activities Information

The University has significant noncash activities related to unrealized interest of \$6,159,822 and \$1,111,224; right to use lease assets acquired with lease obligations of \$95,345 and \$161,019; and subscription-based technology assets acquired with subscription obligations of \$1,631,620 and \$289,874 during fiscal years ended June 30, 2025 and 2024, respectively.

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



Notes to Financial Statements

JUNE 30, 2025

Note 1 Summary of Significant Accounting Policies

Reporting Entity: Vincennes University (University) is an institution of higher education and is considered to be a component unit of the State of Indiana. The University is governed by a Board of Trustees as established by Indiana Code 21-25-3. The Board of Trustees of the University consists of ten trustees appointed by the Governor of the State. One of the trustees must be a resident of Knox County, one must be an alumnus of the University, and one must be a full-time student of the University during the term. There are also four ex-officio members of the board: the president of the University, the superintendent of the Vincennes Community School Corporation, the superintendent of the South Knox School Corporation, and the superintendent of the North Knox School Corporation. The University is included in the State's financial statements as a discrete component unit. Transactions with the State relate primarily to appropriations for operations, capital improvements, and grants from various state agencies.

The University adheres to Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations are Component Units - an amendment of GASB Statement No. 14*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units, an amendment of GASB Statement No. 14*. GASB Statement No. 61 and GASB Statement No. 80 modify certain requirements for inclusion of component units in the financial reporting entity. For the fiscal year ending June 30, 2025, the University implemented GASB Statement No. 101, *Compensated Absences*.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its fiduciary activities and its component unit, the Vincennes University Foundation, Inc. (Foundation). Reporting for fiduciary activities and for the component unit immediately follow the primary government's statements.

The Vincennes University's Grantors' Trust for post-retirement benefits is held at the Foundation. The trust is reported as Funds Held in Trust on the Foundation

Statements and it is also reported in the fiduciary statements. Under GASB 84, this fiduciary fund is reported on the University's fiduciary statements.

The Foundation is a legally separate, tax-exempt component unit of the University. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the University in support of its programs. The majority of resources that the Foundation holds and invests are restricted to the activities of the University by the donors. Since these restricted resources held by the Foundation can only be used by, or for the benefit of, the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements. During the year ended June 30, 2025, the Foundation distributed \$3,621,816 to the University for restricted and unrestricted purposes. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a private, not-for-profit organization that reports its financial results according to Financial Accounting Standards Board (FASB) Statements. Most significant to the Foundation's operations and reporting model are Financial Accounting Standards Board Accounting Standards Codification 958 (formerly FSP 116 and 117), and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the Guide). (ASC) 958-205 was effective January 1, 2018. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the University's financial reporting entity for these differences; however, significant note disclosures to the Foundation's financial statements have been incorporated into the University's notes to the financial statements.

Financial statements for the Foundation can be obtained by calling the Vincennes University Foundation, Inc. at 812-888-4510.

Financial Statement Presentation: The financial statements have been prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local*



Governments, GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities – an amendment of GASB Statement No. 34*, and with other accounting principles generally accepted in the United States of America, as prescribed by the GASB.

The University adopted GASB Statement No. 84, *Fiduciary Activities*, in fiscal year 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Activities meeting the fiduciary criteria are presented in a statement of fiduciary net position and a statement of changes in fiduciary net position.

Basis of Accounting: For financial reporting purposes, the University is considered a special-purpose government engaged in business-type activities and fiduciary-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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All significant intra-agency transactions have been eliminated.

For purposes of measuring the net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Indiana State Teachers' Retirement Fund (TRF), and additions to/deductions from TRF's fiduciary net position have been determined on the same basis as they are reported by the Indiana Public Retirement System (INPRS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. The University generally uses an estimate based on municipal bond rate yield curves as the discount rate for leases, unless the actual rate charged by the lessor/vendor is known. Actual results could differ from those estimates.

Cash Equivalents: For purposes of the Statement of Cash Flows, the University considers all highly liquid investments with an original maturity of three months or

less to be cash equivalents. Included in cash equivalents are the deposits held by the bond trustee. These deposits consist of unexpended bond proceeds and associated interest earnings which will be used for capital expenditures related to construction or renovation projects, bond issuance costs and future debt service.

Investments: The University accounts for its investments at fair market value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and GASB Statement No. 72, *Fair Value Measurement and Application*.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounts Receivable: Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. The majority of each group resides in the State of Indiana. Accounts receivable also include amounts due from the federal government, state and local governments, private sources in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts, and the current portion of University leases. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories: Inventories are recorded using various methods, including lower of cost or market value on either the first-in, first-out ("FIFO") basis or the average cost basis.

Non-current Assets: Cash and investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other non-current assets, are classified as non-current assets in the Statement of Net Position. Included in these assets are the Net Pension Asset for the Net OPEB Asset.

Capital Assets: Capital assets are recorded at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. Also included in capital assets are leased right-to-use assets which meet GASB Statement No. 87 criteria for reporting and the right to use another party's information technology software under GASB Statement No. 96. For equipment, the University's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Infrastructure costs are minimal and included in the cost of Building and Improvements. Routine repairs and



maintenance are charged to operating expense in the year in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the asset, generally 40 to 50 years for buildings, 20 to 25 years for infrastructure and land improvements, and 3 to 10 years for equipment. The right-to-use assets are amortized over the shorter of the lease term or the underlying asset useful life.

Deferred Outflows of Resources: As prescribed by GASB Statement No. 63, the Statement of Financial Position reports a separate section for deferred outflows of resources. The separate financial statement element represents a consumption of net position that applies to a future period. Deferred outflows of resources consist of accumulated changes in the deferral of resources for the Indiana State Teacher's Pension Plan, and for the Post Employment Benefit Plan. Also included is the deferred outflows of resources from bond refunding.

Unearned Revenues: Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year, but related to the subsequent accounting period.

Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

Deposits/Deposits Held in Custody for Others:

Deposits/Deposits Held in Custody for Others result from the University acting as an agent or fiduciary, for another entity. Current balances represent dormitory room deposits and funds held by the University for external events. Current deposits meeting the criteria as fiduciary activities are reported on the Statement of Fiduciary Net Position.

Compensated Absences: The University implemented GASB Statement 101, *Compensated Absences* in 2025. The University policy permits employees to accumulate earned but unused leave including sick leave and vacation. The maximum number of vacation days an employee may be paid upon termination of employment remains limited to the number of days which can be earned in 12 months; however, the entire balance of vacation leave is recognized as a liability at year end due to very few employees terminating with a vacation balance. Sick leave is recognized based on a lookback of 5.5-years and a utilization percentage will be calculated for each employee. Both accruals include the employer share of social security and Medicare taxes and contributions to pension plans. The liability and expense incurred are recorded at year-end as accrued compensated absences in the Statement of Net Position and as a component of salary and benefit expense in the Statement of Revenues, Expenses, and Changes in Net Position. The beginning net position and the liabilities



as of July 1, 2024 were restated for the effects of the University's adoption of GASB Statement 101.

Non-current Liabilities: Non-current liabilities consist primarily of principal amounts of revenue bonds payable with a contractual maturity of greater than one year and advances from the federal government. Included in these liabilities, is the Net Pension Liability for the Indiana State Teachers' Pension Plan.

Leases: The University is a party as lessor and lessee for various noncancelable long-term leases of buildings and building space. The corresponding lease receivable or lease payable, are recorded in an amount equal to the present value of the expected future minimum lease payments receivable or payable, respectively, discounted by an applicable interest rate.

Subscriptions: This GASB Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). A SBITA is defined as a contract that conveys control of the right to use another party's information technology software for a period of time in an exchange or an exchange-like transaction.

Deferred Inflows of Resources: As prescribed by GASB Statement No. 63, the Statement of Financial Position reports a separate section for deferred inflows of resources. Deferred inflows of resources is an acquisition of net assets that is applicable to a future reporting period. These inflows include the Net Differences for the projected and actual investments for the Indiana State Teacher's Pension Plan,





the OPEB Plan, and leases. Lease-related amounts are recognized at the inception of leases in which Vincennes University is the lessor and are recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease. Also included is the deferred inflows of resources from bond refunding.

Net Position: The University's net position is classified as follows:

Net Investment in capital assets: This represents the University's total investment in capital assets net of outstanding debt obligations related to those capital assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted net position: Resources classified as restricted and expendable are those for which the University is legally obligated to spend in accordance with externally imposed stipulations or those stipulations that expire with the passage of time.

Restricted net position-non-expendable: Non-expendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity

and invested for the purpose of producing present and future income, which may either be expended or added to principal.

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

Unrestricted net position: The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments. These resources are used for transactions relating to the educational and general operations of the University and may be designated for specific purposes by action of management or the Board of Trustees. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide services for students, faculty, and staff. Substantially all unrestricted net assets are designated for academic programs and initiatives and general operations of the University.

When an expense is incurred for which both restricted and unrestricted resources are available, the University applies the most appropriate fund source based on the relevant facts and circumstances.

Income Taxes: The University, as a political subdivision of the State of Indiana, is excluded from Federal income

taxes under Section 115(1) of the Internal Revenue Code, as amended. The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Certain revenues of the University may be subject to federal income tax as unrelated business income under Internal Revenue Code Sections 511 to 514.

Classification of Revenues and Expenses: The University has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating revenues and expenses: Operating revenues and expenses generally have the characteristics of exchange transactions. These transactions can be defined as an exchange in which two or more entities both receive and sacrifice value, such as purchases and sales of goods and services. Examples of operating revenues include student tuition and fees, net of scholarship discounts and allowances, sales and services of auxiliary enterprises, net of scholarship discounts and allowances, grants and contracts, and other operating revenues. Since the University's mission is to play a key role in programs of community development, cultural enrichment, and services appropriate to a post-secondary educational institution, most grants and contracts are considered operating. Examples of operating expenses include employee compensation, benefits and related expenses, scholarships and fellowships, utilities, supplies and other services, equipment, and depreciation expenses of capital assets.

Non-operating revenues and expenses: Non-operating revenues and expenses include activities that have the characteristics of non-exchange transactions. Examples of non-operating revenues include state appropriations, most federal and state student aid, nonexchange grants, gifts and contributions, and investment income. Non-operating revenues and expenses are defined in 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 Analysis – for State and Local Governments*. Examples of non-operating expenses include interest on capital asset related debt and bond expenses.

Scholarship Discounts and Allowances: Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and 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. Certain governmental grants, such as Pell grants, and other federal, state, or non-governmental

programs, are recorded as either operating or non-operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship discount and allowance.

Reclassifications: Certain reclassifications have been made to prior year statements and certain notes for comparative purposes and do not constitute a restatement of prior periods.

Fiduciary Activities: Fiduciary funds account for assets held by the University in a trustee capacity or as a custodian on behalf of others.

Other Post Employee Benefit (OPEB) Trust Funds

These funds are used to report fiduciary activities for the University's OPEB plan administered through trust.

Component Unit: Net assets and changes therein are classified as follows:

Net Assets without donor restrictions

Net assets without donor restrictions include all contributions received, and all revenue and expenses. It includes both undesignated and board designated funds. Undesignated net assets may be used at the discretion of management to support the mission of the Foundation and consist of net assets accumulated from the results of operations. Designated funds are net assets designated by the Foundation's Board of Directors as a quasi endowment to be used for the purpose of providing endowment draws to fund operations. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Net Assets with donor restrictions

Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are recorded when earned. Contributions, including promises to give, are recognized as revenue in the period received at their fair value. Promises to give, or pledges, must be unconditional and legally enforceable to be recognized. Expenses are recognized when incurred. Investments in marketable securities are stated at fair market value.



Note 2 Cash and Investments

Cash and investments as of June 30, 2025 and June 30, 2024, are stated at market value. The University's trustees have the responsibility as a fiduciary body for the University's investments. Indiana Code 30-4-3-3 requires the trustees to "exercise judgement and care required by Indiana Code 30-4-3.5," the *Indiana Uniform Prudent Investor Act*. The University invests in obligations of the U.S. Treasury and U.S. agencies, certificates of deposits, repurchase agreements, savings and money market accounts, and negotiable order of withdrawal accounts. Cash deposits are insured by agencies of the federal government up to \$250,000. Amounts over \$250,000 are covered by the Indiana Public Depository Fund which covers all public funds held in approved depositories. The total amount reported by checking, bond trustee accounts, and money market accounts at various banks on June 30, 2025 and on June 30, 2024 equaled \$43,838,517 and \$27,014,563 respectively.

Quasi-endowment funds are managed by the trust departments of three major regional banks. These funds are invested in accordance with the policies set by the Finance Committee of the Board of Trustees. Other endowment funds held in trust consist of U.S. Treasury and U.S. Government Agency obligations, tax exempt municipal bonds, savings accounts, and certificates of deposit.

As of June 30, 2025, the University had the following investments:

Investment Type	Market Value	Maturity Less than 1 Year	1 5 Years	6+ Years
Certificates of Deposits	\$ 71,415,661	\$ 56,251,187	\$ 15,164,474	\$ -
U.S. Treasury Bonds	12,664,074	3,022,036	6,467,663	3,174,375
U.S. Government Agencies	174,727,446	5,833,055	115,204,549	53,689,842
Mutual Funds	400,622	-	400,622	-
Total	\$ 259,207,803	\$ 65,106,278	\$ 137,237,308	\$ 56,864,217

As of June 30, 2024, the University had the following investments:

Investment Type	Market Value	Maturity Less than 1 Year	1 5 Years	6+ Years
Certificates of Deposits	\$ 66,158,388	\$ 61,099,785	\$ 5,058,603	\$ -
U.S. Treasury Bonds	13,842,809	5,148,014	5,682,989	3,011,806
U.S. Government Agencies	156,922,379	7,233,228	83,372,152	66,316,999
Mutual Funds	395,503	-	395,503	-
Total	\$ 237,319,079	\$ 73,481,027	\$ 94,509,247	\$ 69,328,805

Credit Risk: As a means of managing credit risk, the University's investment policy limits investments to A1 (Standard & Poor's) or P1 (Moody's). If a rating change occurs which disqualifies a security that is already present in the University portfolio, it must be sold within 30 days of the discovery, unless it matures within six months of the rating change. On June 30, 2025 and June 30, 2024, the University was in compliance with its credit risk policy for all investments.



The Moody's credit ratings for the investments at June 30, 2025 were as follows:

Rating	Certificates of Deposit	U.S. Treasury Bonds	U.S. Government Agencies	Mutual Funds	Total
AAA	\$ 71,415,661	\$ 12,664,074	\$ 174,727,446	\$ -	\$ 258,807,181
AA	-	-	-	-	-
A	-	-	-	-	-
BBB	-	-	-	-	-
BB	-	-	-	-	-
Below BB	-	-	-	-	-
Not Rated	-	-	-	400,622	400,622
Total	\$ 71,415,661	\$ 12,664,074	\$ 174,727,446	\$ 400,622	\$ 259,207,803

The Moody's credit ratings for the investments at June 30, 2024 were as follows:

Rating	Certificates of Deposit	U.S. Treasury Bonds	U.S. Government Agencies	Mutual Funds	Total
AAA	\$ 66,158,388	\$ 13,842,809	\$ 156,922,379	\$ -	\$ 236,923,576
AA	-	-	-	-	-
A	-	-	-	-	-
BBB	-	-	-	-	-
BB	-	-	-	-	-
Below BB	-	-	-	-	-
Not Rated	-	-	-	395,503	395,503
Total	\$ 66,158,388	\$ 13,842,809	\$ 156,922,379	\$ 395,503	\$ 237,319,079

Concentration of Credit Risk: The 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 investment policy places no limit on the amount that can be invested in any single issuer. More than 6 percent of the University's net assets are held at Old National Bank in certificate of deposits totaling \$35 million. U.S. government issues and U.S. governmental agency securities are exempt from this requirement.

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 investment policy does not address exposure to fair value losses arising from changes in interest rates, but the investment objective is to obtain the highest revenue while maintaining safety and ensuring adequate liquidity for institutional needs. To that end, management maintains investments in cash, cash equivalents, and short term investments to be in position to take advantage of the best rates in a timely fashion as well as sustaining adequate cash flow for operating needs.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The University's investment policy does not limit the value of investments that may be held by an outside party. Of the University's investments, \$12,664,074 of the U.S. Treasury Notes, \$7,990,014 of the U.S. Government Agencies, and \$400,622 of the Mutual Funds are held by the counterparty, a trust department, or an agent not in the University's name.

Foreign currency risk: This is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The University does not hold any foreign currency-denominated investments.



Note 3 – Disclosures About Fair Value of Assets and Liabilities

GASB 72 - *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

RECURRING MEASUREMENTS:

The following tables present the fair value measurements of assets recognized in the accompanying consolidated statements of financial position measured at the fair value on a recurring basis and the level within the fair value hierarchy in which fair value measurements fall on June 30, 2025 and June 30, 2024:

Fair Value Measurements				
		Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
JUNE 30, 2025				
Investments by fair value level	Fair Value			
U.S. Treasury Bonds	\$ 12,664,074	\$ 12,664,074	\$ -	\$ -
Agency Securities	7,990,014	-	7,990,014	-
Agency Mortgage Securities	166,737,432	-	166,737,432	-
Mutual Funds	400,622	400,622	-	-
Total Investments	\$ 187,792,142	\$ 13,064,696	\$ 174,727,446	\$ -

Fair Value Measurements				
		Fair Value Measurements Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
JUNE 30, 2024				
Investments by fair value level	Fair Value			
U.S. Treasury Bonds	\$ 13,842,809	\$ 13,842,809	\$ -	\$ -
Agency Securities	8,003,578	-	8,003,578	-
Agency Mortgage Securities	148,918,801	-	148,918,801	-
Mutual Funds	395,503	395,503	-	-
Total Investments	\$ 171,160,691	\$ 14,238,312	\$ 156,922,379	\$ -



Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified as Level 3 of the hierarchy.

The University utilizes the market based valuation approach in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, and there have been no significant changes in the valuation techniques during the years ending June 30, 2025 and June 30, 2024.

Note 4 – Accounts Receivable

Accounts Receivable are primarily comprised of the following at June 30:		
	2025	2024
Student Tuition	\$ 3,152,106	\$ 4,541,874
Auxiliaries	724,557	685,937
Grants and Contracts	3,372,489	3,017,931
Other Receivable	1,243,476	817,766
Total Accounts Receivable	\$ 8,492,628	\$ 9,063,508
Allowance for Doubtful Accounts	(1,389,491)	(1,659,524)
Net Accounts Receivable	\$ 7,103,137	\$ 7,403,984

Note 5 – Inventories

Inventories are stated at the lower of cost or market value. As of June 30, 2025 and 2024, total inventories were valued at \$1,508,368 and \$1,528,256, respectively. Of these totals, the bookstore’s inventory was \$1,020,679 and \$1,042,648, respectively.



Note 6 – Capital Assets

The following are summaries of the University's capital asset activity as of June 30:

2025					
	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Capital Assets not being depreciated:					
Land	\$ 23,581,517	\$ 8,750	\$ -	\$ -	\$ 23,590,267
Construction in Progress	5,098,763	21,007,113	30,713	(2,603,813)	23,471,350
Total Capital Assets not being depreciated	\$ 28,680,280	\$ 21,015,863	\$ 30,713	\$ (2,603,813)	\$ 47,061,617
Capital Assets being depreciated:					
Building and Improvements	\$382,138,300	\$ 1,589,933	\$ -	\$ 2,603,813	\$386,332,046
Equipment	65,953,868	3,328,323	3,190,256	-	66,091,935
Leased Asset - Building	6,676,519	95,345	5,214	-	6,766,650
Subscription - Equipment	4,806,895	1,725,120	970,554	-	5,561,461
Total Capital Assets being depreciated	\$459,575,582	\$ 6,738,721	\$ 4,166,024	\$ 2,603,813	\$464,752,092
Less Accumulated Depreciation for:					
Building & Improvements	\$154,991,929	\$ 11,280,329	\$ -	\$ -	\$166,272,258
Equipment	47,094,269	4,995,673	3,041,710	-	49,048,232
Leased Asset - Building	1,359,350	498,031	-	-	1,857,381
Subscription - Equipment	2,646,536	1,218,126	905,232	-	2,959,430
Total Accumulated Depreciation	\$206,092,084	\$ 17,992,159	\$ 3,946,942	\$ -	\$220,137,301
Total Capital Assets being depreciated, net	\$253,483,498	\$ (11,253,438)	\$ 219,082	\$ 2,603,813	\$244,614,791
Capital Assets, net	\$282,163,778	\$ 9,762,425	\$ 249,795	\$ -	\$291,676,408

2024					
	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Capital Assets not being depreciated:					
Land	\$ 23,561,492	\$ 22,091	\$ 2,066	\$ -	\$ 23,581,517
Construction in Progress	1,824,612	8,110,145	5,032	(4,830,962)	5,098,763
Total Capital Assets not being depreciated	\$ 25,386,104	\$ 8,132,236	\$ 7,098	\$ (4,830,962)	\$ 28,680,280
Capital Assets being depreciated:					
Building and Improvements	\$377,342,537	\$ 1,256,873	\$ 623,210	\$ 4,162,100	\$382,138,300
Equipment	62,616,488	3,496,094	827,576	668,862	65,953,868
Leased Asset - Building	6,515,500	161,019	-	-	6,676,519
Subscription - Equipment	4,465,421	341,474	-	-	4,806,895
Total Capital Assets being depreciated	\$450,939,946	\$ 5,255,460	\$ 1,450,786	\$ 4,830,962	\$459,575,582
Less Accumulated Depreciation for:					
Building & Improvements	\$144,616,317	\$ 10,998,822	\$ 623,210	\$ -	\$154,991,929
Equipment	42,513,708	5,378,169	797,608	-	47,094,269
Leased Asset - Building	913,881	445,469	-	-	1,359,350
Subscription - Equipment	1,468,359	1,178,177	-	-	2,646,536
Total Accumulated Depreciation	\$189,512,265	\$ 18,000,637	\$ 1,420,818	\$ -	\$206,092,084
Total Capital Assets being depreciated, net	\$261,427,681	\$ (12,745,177)	\$ 29,968	\$ 4,830,962	\$253,483,498
Capital Assets, net	\$286,813,785	\$ (4,612,941)	\$ 37,066	\$ -	\$282,163,778



Note 7 – Non-Current Liabilities

The non-current liability activity for the fiscal years ended June 30, 2025 and 2024 are summarized as follows:

	Restated Balance June 30, 2024	Additions	Reductions*	Balance June 30, 2025
Bonds Payable, Net of Unamortized Premium and Discount	\$ 18,626,800	\$ -	\$ 5,637,200	\$ 12,989,600
Net Pension Liability	107,983	36,796	-	144,779
Advances from Federal Government	296,620	-	14,385	282,235
Lease Payable	5,289,757	97,766	438,023	4,949,500
Subscription Payable	1,292,120	1,631,622	1,372,823	1,550,919
Compensated Absences	866,536	-	14,352	852,184
Total Non-current Liabilities	\$ 26,479,816	\$ 1,766,184	\$ 7,476,783	\$ 20,769,217

	Balance June 30, 2023	Additions*	Reductions	Restated Balance June 30, 2024
Bonds Payable, Net of Unamortized Premium and Discount	\$ 24,169,600	\$ -	\$ 5,542,800	\$ 18,626,800
Net Pension Liability	61,236	46,747	-	107,983
Advances from Federal Government	328,555	-	31,935	296,620
Lease Payable	5,515,996	-	226,239	5,289,757
Subscription Payable	1,997,881	-	705,761	1,292,120
Compensated Absences	-	866,536	-	866,536
Total Non-current Liabilities	\$ 32,073,268	\$ 913,283	\$ 6,506,735	\$ 26,479,816

*GASB Statement No. 101, *Compensated Absences*, was implemented in fiscal year 2025. *Compensated Absences* reflects required restatement for impact of GASB 101 in fiscal year 2024, the beginning year for implementation. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.



Note 8 – Long-Term Debt

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

	Direct Placement					
	Interest Rate	Amount Issued	Amount Outstanding June 30, 2024	Amount Retired 2024 25	Amount Outstanding June 30, 2025	Amount Due Within One Year
Student Fee Bonds, Series K	3.160%	\$ 5,895,000	\$ 953,000	\$ 469,000	\$ 484,000	\$ 484,000
Student Fee Bonds, Series L	2.350%	8,045,000	2,138,600	592,800	1,545,800	607,200
Student Fee Bonds, Series N	1.170%	22,525,000	11,755,000	3,080,000	8,675,000	3,115,000
Student Fee Bonds, Series O	2.700%	3,780,000	2,753,000	521,000	2,232,000	536,000
Auxiliary Facilities System Revenue Bond, Series 2021	1.430%	8,725,000	6,570,000	880,000	5,690,000	895,000
Total Bonds Payable			\$ 24,169,600	\$ 5,542,800	\$ 18,626,800	\$ 5,637,200
Due Within One Year			(5,542,800)		(5,637,200)	
Total Long-Term Liabilities			\$ 18,626,800		\$ 12,989,600	
Unamortized Deferred Outflow for Series N			(8,741)		(7,284)	
Unamortized Deferred Inflow for Series N			3,258		1,955	

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

	Direct Placement					
	Interest Rate	Amount Issued	Amount Outstanding June 30, 2023	Amount Retired/ 2023 24	Amount Outstanding June 30, 2024	Amount Due Within One Year
Student Fee Bonds, Series K	3.160%	\$ 5,895,000	\$ 1,408,000	\$ 455,000	\$ 953,000	\$ 469,000
Student Fee Bonds, Series L	2.350%	8,045,000	2,717,600	579,000	2,138,600	592,800
Student Fee Bonds, Series N	1.170%	22,525,000	14,785,000	3,030,000	11,755,000	3,080,000
Student Fee Bonds, Series O	2.700%	3,780,000	3,261,000	508,000	2,753,000	521,000
Auxiliary Facilities System Revenue Bond, Series 2021	1.430%	8,725,000	7,440,000	870,000	6,570,000	880,000
Total Bonds Payable			\$ 29,611,600	\$ 5,442,000	\$ 24,169,600	\$ 5,542,800
Due Within One Year			(5,442,000)		(5,542,800)	
Total Long-Term Liabilities			\$ 24,169,600		\$ 18,626,800	
Unamortized Deferred Outflow for Series N			(10,198)		(8,741)	
Unamortized Deferred Inflow for Series N			48,545		3,258	





BONDS SECURED BY DORMITORY REVENUES

Bonds secured by dormitory revenues, are limited obligations of the University and are secured exclusively by a pledge of and lien on the net income as provided in the Indenture. Upon the occurrence of an event of default, the trustee will take appropriate action by judicial proceedings, or otherwise in respect of any existing default on the part of the University as the trustee may deem expedient in the interest of the holders of the bonds outstanding.

The Auxiliary Facilities System Revenue Bonds, Series 2021, were issued in September 2021 by the Board of Trustees to refund the University's outstanding 1983, 2009, and 2013 series bonds for the construction of Vigo Hall, renovation of Clark Hall, and renovation of Morris and Vanderburg Halls. The \$8,725,000 Auxiliary Facilities System Revenue Bonds, Series 2021 have a net interest cost of 1.43% and also covered bond issuance costs. These bonds are secured by a pledge and parity lien on the net income from Auxiliary Facilities.

BONDS SECURED BY STUDENT FEES

Bonds secured by student fees, are limited obligations of the University and are secured exclusively by a pledge of and lien on the student fees as provided in the Indenture. Upon the occurrence of an event of default, the trustee will have the right, upon demand to the University, to have all student fees deposited, as they are collected, in a fund to be maintained by the trustee, to invest as permitted and to apply amounts to the payment of principal or of interest on the bonds.

The following bonds are secured by a pledge of and first lien on all academic fees except the student union fees and other fees released from the lien of the Indenture pursuant to terms thereof.

The Vincennes University Student Fee Bonds, Series O, were issued on September 1, 2022, to refinance Series I. The \$3,780,000 Student Fee Bonds, Series O have a net interest cost of 2.70%.

The Vincennes University Student Fee Bonds, Series K, were issued on December 22, 2011. The \$5,895,000 Student Fee Bonds, Series K have a net interest cost of 3.16%. The proceeds were used to fund the Aquatic Center renovation of the Physical Education Complex and renovation expenditures for Davis Hall.

The Vincennes University Student Fee Bonds, Series L, were issued on December 11, 2012. The \$8,045,000 Student Fee Bonds, Series L have a net interest cost of 2.35%. The proceeds were used to fund the Jasper Center for Advanced Manufacturing and Technology.

The Vincennes University Student Fee Bonds, Series N, were issued on September 28, 2021 to refinance the outstanding fixed rate Student Fee Bonds, including bond interest and bond issuance costs, for Series H, J, and M. Series H and M were issued for the construction of the Jasper Academic Building and Updike Hall. Series J was issued to refinance the variable debt of Series F and G. The \$22,525,000 Student Fee Bonds, Series N have a net interest cost of 1.17%.

Annual debt service requirements through maturity for bonds payable for the previous two fiscal years are presented in the following charts:

Annual Debt Service Requirements as of June 30, 2025

Fiscal Year Ending June 30:	Fixed Rate Bonds Total		Total
	PRINCIPAL	INTEREST	
2026	\$ 5,637,200	\$ 259,366	\$ 5,896,566
2027	5,746,600	162,482	5,909,082
2028	3,702,000	87,061	3,789,061
2029	1,516,000	43,486	1,559,486
2030	955,000	22,129	977,129
2031-2034	1,070,000	29,744	1,099,744
	\$ 18,626,800	\$ 604,268	\$ 19,231,068

Annual Debt Service Requirements as of June 30, 2024

Fiscal Year Ending June 30:	Fixed Rate Bonds Total		Total
	PRINCIPAL	INTEREST	
2025	\$ 5,542,800	\$ 351,404	\$ 5,894,204
2026	5,637,200	259,366	5,896,566
2027	5,746,600	162,481	5,909,081
2028	3,702,000	87,061	3,789,061
2029	1,516,000	43,486	1,559,486
2030-2034	2,025,000	51,873	2,076,873
	\$ 24,169,600	\$ 955,671	\$ 25,125,271



Note 9 – Lessee and Lessor Arrangements

Lessee Arrangements

The University leases land and office space from external parties. In accordance with GASB 87, the University records right-to-use assets and lease liabilities based on the present value of expected payments over the term of the respective leases. The expected payments are discounted using the interest rate charged on the lease, if available, and are otherwise discounted using an estimate based on municipal bond rate yield curves. Variable payments are excluded from the valuations unless they are fixed in substance. The right-to-use assets are amortized over the shorter of the lease term or the underlying asset useful life. Right-to-use assets totaled \$6,766,650 and \$6,676,519 at June 30, 2025 and 2024, respectively. Accumulated amortization totaled \$1,857,381 and \$1,359,350 at June 30, 2025 and 2024, respectively.

The amount of lease assets by major classes of underlying assets at June 30, 2025 and 2024, are as follows:

Right to Use Asset				
Asset Class	June 30, 2025		June 30, 2024	
Buildings, Net	\$	4,909,269	\$	5,317,169
	\$	4,909,269	\$	5,317,169

As of June 30, 2025, the scheduled fiscal year maturities of lease liabilities and related interest expense are as follows:

Fiscal Year Ending June 30	Principal	Interest
2026	\$ 402,039	\$ 171,474
2027	332,329	160,107
2028	321,363	149,707
2029	331,902	139,168
2030	330,743	128,327
2031-2035	1,794,889	471,461
2036-2040	1,467,543	193,807
2041-2045	370,731	8,052
	\$ 5,351,539	\$ 1,422,103

As of June 30, 2024, the scheduled fiscal year maturities of lease liabilities and related interest expense are as follows:

Fiscal Year Ending June 30	Principal	Interest
2025	\$ 376,512	\$ 181,305
2026	363,505	170,309
2027	309,083	159,903
2028	321,363	149,707
2029	331,902	139,168
2030-2034	1,742,604	529,547
2035-2039	1,536,808	245,543
2040-2042	684,492	26,558
	\$ 5,666,269	\$ 1,602,040

Lessor Arrangements

The University leases space on its cell tower to the Integrated Public Safety Commission, farmland and the Radio Station WFML. In FY25, the University acquired a sublease with Jet Access for the aviation flight program. In accordance with GASB Statement 87, *Leases*, the University records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The expected receipts are discounted using the interest rate charged on the lease. If the lease does not include a stated interest rate, municipal bond yield curves are used as the discount rate for calculating present value. Variable payments are excluded from the valuations unless they are fixed in substance. During the years ended June 30, 2025 and 2024, the University recognized revenue, including interest income, related to these lease agreement totaling \$120,716 and \$71,316, respectively.

Note 10 – Subscription-Based Information Technology Arrangements

The University engaged in subscription-based information technology arrangements with vendors during fiscal years 2024 and 2025. In accordance with GASB 96, the University recognizes a subscription liability and an intangible right-to-use asset at the commencement of the subscription term. The expected payments are discounted using the interest rate charged by the vendor, if available, and are otherwise discounted using an estimate based on municipal bond rate yield curves.



Measurement of the subscription liability includes the fixed payments, variable payments that depend on an index or market interest, penalties for termination of the SBITA, and deductions of subscription contract incentives.

Measurement of the subscription asset is a sum of the initial measurement of the subscription liability, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, if applicable, and the capitalizable initial implementation costs. The subscription assets are amortized in a systematic and rational manner over the shorter of the subscription term or the underlying asset useful life. Subscription assets totaled \$5,561,461 and \$4,806,895 at June 30, 2025 and 2024, respectively. Accumulated amortization totaled \$2,959,430 and \$2,646,536 at June 30, 2025 and 2024, respectively. Commitments under SBITAs before the commencement of subscription term totaled \$93,500 and \$51,600 for fiscal years 2025 and 2024, respectively, and were included as part of the depreciable asset at cost.

The amount of subscription assets by major classes of underlying assets at June 30, 2025 and 2024, are as follows:

Right to Use Asset				
Asset Class	June 30, 2025		June 30, 2024	
Net Equipment (Software)	\$	2,602,031	\$	2,160,359
	\$	2,602,031	\$	2,160,359

As of June 30, 2025, the scheduled fiscal year maturities of software subscription liabilities and related interest expense are as follows:

Fiscal Year Ending June 30	Principal	Interest
2026	\$ 1,053,327	\$ 76,681
2027	921,441	46,610
2028	272,133	18,840
2029	283,830	10,640
2030	73,515	2,086
2031-2035	-	-
2036-2040	-	-
2041-2045	-	-
	\$ 2,604,246	\$ 154,857

As of June 30, 2024, the scheduled fiscal year maturities of software subscription liabilities and related interest expense are as follows:

Fiscal Year Ending June 30	Principal	Interest
2025	\$ 901,082	\$ 59,086
2026	707,144	37,490
2027	584,976	17,549
2028	-	-
2029	-	-
2030-2034	-	-
2035-2039	-	-
2040-2043	-	-
	\$ 2,193,202	\$ 114,125

Note 11 – Scholarships and Instruction

The endowment funds are classified under net position as Restricted for Scholarship & Instruction. They include both expendable and non-expendable funds. Net position for the endowment funds totaled \$5,647,947 as of June 30, 2025 and \$5,487,820 as of June 30, 2024. The Opal C. Ramsey fund held \$4,398,774 of the total funds as of June 30, 2025 and \$4,245,285 at June 30, 2024.



Note 12 – Teachers Insurance and Annuity Association of America (TIAA)

The University provides full time employees with a tax deferred 403(b) Retirement Annuity Plan (RA) through Teachers Insurance and Annuity Association of America (TIAA). This plan is a defined contribution plan under IRC 403(b). Income during retirement is based on the participant's total account balance. Participants are immediately 100% vested in both the funds contributed on their behalf and the earnings associated with those contributions. Participants may direct investments from many options available to allocate the contributions made on their behalf. An agreement between the University and TIAA is approved by the University Board of Trustees. The University contributes 10% of earned wages.

Faculty and professional staff hired prior to June 30, 2003, and having five or more years of continued employment, participate in a supplemental defined contribution retirement income plan with TIAA. The University contributes 5% of covered wages for this plan.

On June 30, 2025, 702 employees were covered by TIAA. During 2024-25, Vincennes University contributed \$4,370,788 to TIAA on the employees' behalf for wages totaling \$43,865,486.

On June 30, 2024, 702 employees were covered by TIAA. During 2023-24, Vincennes University contributed \$4,080,506 to TIAA on the employees' behalf for wages totaling \$41,182,542.

TIAA issues an annual financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by writing the Teachers Insurance and Annuity Association of America, 730 Third Avenue, New York, NY 10017-3206.

Note 13 - TRF Pension Plan

General Information about the Teachers' Retirement Pension Plans

General Plan Description The Indiana Public Retirement System (INPRS) is an independent instrumentality of the State of Indiana, administering sixteen pension trust funds which includes the Indiana State Teachers' Retirement Fund (TRF). INPRS has the authority to establish and amend benefit terms of its pension trust funds. TRF was established by the Indiana General Assembly in 1921. In 1955, TRF was designed as a pay-as-you-go defined benefit (DB) retirement plan. In 1995, legislation was passed that closed the pay-as-you-go plan

(renamed the TRF Pre-1996 Account) to newly hired members and created a new account (named TRF 1996 Account) for all members hired after June 30, 1995. Effective January 1, 2018, funds previously known as annuity savings accounts (which had been reported within defined benefit funds) were recategorized as defined contributions (DC) funds. DC member balances previously reported within TRF Pre-'96 DB and TRF '96 DB were transferred to the appropriate DC fund as of January 1, 2018. Effective July 1, 2019, new teachers could make an election between TRF My Choice Defined Contribution (TRF MC DC) and TRF Defined Contribution (TRF DC). TRF is governed by the INPRS Board of Trustees in accordance with Indiana Code (IC) 5-10.5.

The financial statements of INPRS have been prepared using the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. Under the accrual basis, revenues are recognized when earned, and expenses are recognized when liabilities are incurred, regardless of the timing of related cash flows. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for established governmental accounting and financial reporting principles. INPRS adopts all applicable GASB pronouncements in accounting and reporting for its operations. Detailed information about the pension plan's fiduciary net position is available in the separately issued INPRS Annual Comprehensive Financial Report (ACFR). This report may be obtained by writing the Indiana Public Retirement System, One North Capital, Suite 001, Indianapolis, IN 46204, or www.in.gov/inprs/annualreports.htm.

The following brief descriptions of TRF Pre-1996 Account and the TRF 1996 Account are provided for general information purposes only. Participants should refer to INPRS for more complete information. The actuarial assumptions for both plans follow the descriptions.

Teachers' Retirement Fund Pre-1996 Accounts (TRF Pre-1996)

Benefits TRF Pre-1996 Defined Benefit (DB) is a pay-as-you-go cost sharing, multiple-employer defined benefit fund established to provide retirement, disability, and survivor benefits to teachers, administrators and certain INPRS employees. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, and 35 IAC 14 and other Indiana pension law. TRF Pre-'96 DB is a component of the Teachers' Hybrid Plan. The Teachers' Hybrid Plan consists of three components: TRF Pre-'96 DB and TRF '96 DB, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.



Membership Membership in TRF Pre-'96 DB is closed to new entrants. Membership is required for all legally qualified and regularly employed licensed teachers who serve in the public schools of Indiana, teachers employed by the State at State institutions, and certain INPRS employees. Generally, members hired before 1996 participate in TRF Pre-'96 DB, and members hired after 1995 participate in TRF '96 DB.

Contributions According to statute, the TRF Pre-'96 DB fund is funded primarily by appropriations from the state general fund and lottery proceeds. Due to biennial budget cycle, these appropriations do not always match their corresponding ADC exactly. The Actuarially Determined Contribution (ADC) for TRF Pre-96 DB was \$1,067.3 million in 2024 and \$4,237.4 million in 2023. TRF Pre-'96 DB received special appropriations of \$3.2 billion in fiscal year 2023, consisting of \$2.5 billion per the excess reserve provisions of IC 4-10-22-3 and an additional \$700 million provided by the state budget bill passed in 2023. These special contributions were the driving factor in the increase in TRF Pre-'96 DB's funded status, therefore, TRF Pre-'96 DB received no special appropriations in fiscal year 2024 due to the excess reserve provisions of IC 4-10-22-3. No member contributions are required.

For the fiscal year ending June 30, 2024, there were 12 employees participating in the plan with annual pay equal to \$999,308 and for the fiscal year ending June 30, 2023, there were 15 employees participating in the plan with annual pay equal to \$1,230,848. The University contributed at an actuarially determined under the entry age normal cost to be 6.0 percent of covered payroll in 2024 and 6.0 percent of covered payroll in 2023.

Members are required to contribute three percent of gross wages to their Defined Contribution (DC) Account. Employers have the option of making all or part of this contribution on behalf of the member in which Vincennes University elects to make the contribution. Members may also make voluntary contributions to the Defined Contribution Account up to an additional 10 percent of their wages, under certain limitations. The University contributed three percent of gross wages for the employees. Total contributions for the DB and the DC plans were \$94,653 and \$113,509 for the fiscal years ended June 30, 2024 and June 30, 2023, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

On June 30, 2025 and June 30, 2024, Vincennes University reported a liability of zero dollars. The State's proportionate share of the net pension liability is 100%. In the 2024 actuarial study, reported in the University's 2025 financial statements, standard actuarial roll forward techniques were used to project the total pension liability computed as of June 30, 2023 to the June 30, 2024 measurement date. The basis to determine participating employer's proportionate share of the various pension related amounts associated with the Special Funding Situation is a weighted calculation using a combination of wages reported by employers relative to the collective wages of the plan, and benefits paid to retirees of employers relative to total benefits paid by the plan. There were no changes in the actuarial assumptions for the June 30, 2024 actuarial valuation.

In the 2023 actuarial study, reported in the University's 2024 financial statements, standard actuarial roll forward techniques were used to project the total pension liability computed as of June 30, 2022 to the June 30, 2023 measurement date. The basis to determine participating employer's proportionate share of the various pension related amounts associated with the Special Funding Situation is a weighted calculation using a combination of wages reported by employers relative to the collective wages of the plan, and benefits paid to retirees of employers relative to total benefits paid by the plan.

Since the TRF-Pre '96 DB Account is a special funding situation, the University is not required to recognize the net pension liability as the University is not legally responsible for the net pension liability nor the contributions to the plan; however, the University's notes must disclose VU's portion of the State's total proportionate share of the collective net pension liability. The University's proportionate share of the State's net pension liability of \$4,406,404,713 and \$5,230,392,278 for the fiscal years ending June 30, 2024 and June 30, 2023, respectively, were as follows:

Fiscal Year Ending June 30	VU's Weighted Proportionate Share	VU's Share of Nonemployer Contributing Entity Contributions	VU's Share of Pension Expense	VU's Net Pension Liability Associated with Employer
2024	0.0040279	\$ 4,290,519	\$ 1,498,168	\$ 17,748,558
2023	0.0042850	\$ 18,146,975	\$ 1,879,310	\$ 22,412,231



The University was required to recognize the pension expense totaling \$1,498,168 and \$1,879,310 along with non-operating revenue in the same amount for the State's contribution for the fiscal years ended June 30, 2025 and June 30, 2024, respectively.

Teachers' Retirement Fund 1996 Account (TRF 1996)

Benefits TRF '96 DB is a cost-sharing, multiple-employer defined benefit fund providing retirement, disability, and survivor benefits. Administration of the fund is generally in accordance with IC 5-10.2, IC 5-10.4, 35 IAC 14 and other Indiana pension law. The Teachers' Hybrid Plan consists of three components: TRF Pre-'96 DB and TRF '96 DB, the monthly employer-funded defined benefit component, along with TRF DC, a member-funded account.

Membership Membership in TRF '96 DB is required for all legally qualified and regularly employed licensed teachers who serve in the public schools of Indiana, teachers employed by the State at State institutions, and certain INPRS employees. Additionally, faculty members and professional employees at Ball State University and Vincennes University have the option of selecting membership in the Fund or an alternate University plan not administered by INPRS. Membership in TRF '96 DB is optional for teachers employed by charter schools, employees and officials of the Indiana State Board of Education who were Indiana licensed teachers before their employment with the Board, and teachers employed by special management teams as defined under IC 20-31.

Contributions Employer contribution rates for the 1996 Account are determined annually by the INPRS Board based on recommendations by the INPRS actuary. The funding policy provided for periodic employer contributions at actuarially determined rates that expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. As the TRF 1996 Account is a cost-sharing system, all risks and costs, including benefit costs, are shared proportionally by the participating employers.

During fiscal year 2024, all participating employers in the TRF 1996 Account were required to contribute 6.0 percent of the covered payroll, with 0.21% for the full fiscal year funding a supplemental reserve account for future postretirement benefit increases. No member contributions are required. The University contributed \$23,491 based on payroll totaling \$391,511 for five employees.

During fiscal year 2023, all participating employers in the TRF 1996 Account were required to contribute 6.0

percent of the covered payroll, with 0.21% for the full fiscal year funding a supplemental reserve account for future postretirement benefit increases. No member contributions are required. The University contributed \$23,263 based on payroll totaling \$387,721 for five employees.

Members are required to contribute three percent of gross wages to their Defined Contribution Account. Employers have the option of making all or part of this contribution on behalf of the member in which Vincennes University elects to make the contribution. Members may also make voluntary contributions to the Defined Contribution Account up to an additional 10 percent of their wages, under certain limitations. The University contributed three percent of gross wages for the employees. Total contributions for the DB and the DC plans were \$35,236 and \$34,895 for the fiscal years ended June 30, 2024 and June 30, 2023, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, Vincennes University reported a liability of \$144,779 for its proportionate share of the net pension asset. Standard actuarial roll forward techniques were used to project the total pension liability computed as of June 30, 2023 to the June 30, 2024 measurement date. Wages reported by employers relative to the collective wages of the plan serve as the basis to determine the employer's proportionate share. This basis of allocations measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. At June 30, 2024, the University's proportion was .00880 percent.

At June 30, 2024, Vincennes University reported a liability of \$107,983 for its proportionate share of the net pension asset. Standard actuarial roll forward techniques were used to project the total pension liability computed as of June 30, 2022 to the June 30, 2023 measurement date. Wages reported by employers relative to the collective wages of the plan serve as the basis to determine the employer's proportionate share. This basis of allocations measures the proportionate relationship of an employer to all employers and is consistent with the manner in which contributions to the pension plan are determined. At June 30, 2023, the University's proportion was .00994 percent.



For the years ended June 30, 2025 and June 30, 2024, VU recognized pension expense of \$57,921 and \$27,113 respectively. On June 30, 2025 and June 30, 2024, VU reported deferred outflows of resources and deferred inflows of resources related to pensions as follows:

2025				
	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	38,051	\$	8,238
Changes of assumptions		35,726		14,151
Net difference between projected and actual earnings on pension plan investments		23,632		-
Changes in proportion and differences between employer contributions and proportionate share of contributions		1,578		67,928
Employer contributions subsequent to the measurement date		28,107		-
Totals	\$	127,094	\$	90,317

Employer contributions totaling \$28,107 reported as deferred outflows of resources related to pensions resulting from VU's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

2024				
	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	\$	26,506	\$	11,317
Changes of assumptions		47,339		19,279
Net difference between projected and actual earnings on pension plan investments		41,653		-
Changes in proportion and differences between employer contributions and proportionate share of contributions		846		79,444
Employer contributions subsequent to the measurement date		23,413		-
Totals	\$	139,757	\$	110,040

Employer contributions totaling \$23,413 reported as deferred outflows of resources related to pensions resulting from VU's contributions subsequent to the measurement date were recognized as a reduction of the net pension liability in the year ended June 30, 2024.



In the 2024 actuary study, reported in the University's 2025 financial statements, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ (6,918)
2026	13,988
2027	(2,594)
2028	(7,511)
2029	(2,927)
Thereafter	14,632

The 2025 Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate (as reported in the 2024 Actuarial Report) The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 6.25 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current rate:

Net Pension Liability Discount Rate Sensitivity			
	1% Decrease (5.25%)	Current (6.25%)	1% Increase (7.25%)
Employer's proportionate share of the net pension liability	\$ 300,484	\$ 144,779	\$ 19,214

In the 2023 actuary study, reported in the University's 2024 financial statements, other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	\$ (1,178)
2025	(6,283)
2026	17,332
2027	(1,605)
2028	(7,159)
Thereafter	5,197

The 2024 Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate (as reported in the 2023 Actuarial Report) The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 6.25 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25 percent) or 1-percentage-point higher (7.25 percent) than the current rate:

Net Pension Liability Discount Rate Sensitivity			
	1% Decrease (5.25%)	Current (6.25%)	1% Increase (7.25%)
Employer's proportionate share of the net pension liability	\$ 261,284	\$ 107,983	\$ (15,934)

Actuarial Assumptions for TRF Pre-1996 and TRF 1996 for 2025

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Asset Valuation Date	June 30, 2024
Liabilities	June 30, 2023 - Member census data as of June 30, 2023 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2023 and June 30, 2024. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2023 to the June 30, 2024 measurement date.
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Inflation	2.00%
Salary increases	2.65% to 11.90%, including inflation
Investment rate of return	6.25% (includes inflation and net of investment expenses)
Cost-of-living adjustments	2025 - 13th Check Beginning July 1, 2025 - For members retired before 7/01/2025 - indexed 13th check For members retired on or after 7/01/2025 - 1% COLA
Experience Study Data	Period of 5 years ended June 30, 2019



The mortality assumptions are based on Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The long-term return expectation for the INPRS defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change.

Global Asset Classes	Target Allocation	Geometric Basis Long-Term Expected Real Rate of Return
Public Equity	20.00%	4.6%
Private Equity	15.00%	7.1%
Fixed Income - Ex Inflation -Linked	20.00%	3.6%
Fixed Income - Inflation-Linked	15.00%	2.1%
Commodities	10.00%	2.8%
Real Estate	10.00%	5.4%
Absolute Return	5.00%	2.5%
Risk Parity	20.00%	6.3%
Cash and Cash Overlay	N/A	1.7%

Discount Rate The Total Pension Liability (TPL) for each defined benefit pension plan was calculated using the long-term expected rate of return of 6.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in

accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the non-employer contributing entity) would be made as stipulated by Indiana statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's Fiduciary Net Position were projected to be available to make all projected future benefit payments of current plan members, therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the TPL for each plan.

Actuarial Assumptions for TRF Pre-1996 and TRF 1996 for 2024

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Asset Valuation Date	June 30, 2023
Liabilities	June 30, 2022 - Member census data as of June 30, 2022 was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2022 and June 30, 2023. Standard actuarial roll forward techniques were then used to project the total pension liability computed as of June 30, 2022 to the June 30, 2023 measurement date.
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Inflation	2.00%
Salary increases	2.65% to 11.90%, including inflation
Investment rate of return	6.25% (includes inflation and net of investment expenses)
Cost-of-living adjustments	1% COLA effective January 1, 2023, 2026-2033 - .40%, 2034-2038 - .50%, 2039 and on - .60%
Experience Study Data	Period of 5 years ended June 30, 2019

The mortality assumptions are based on Pub-2010 Public Retirement Plans Mortality Tables (Amount-Weighted) with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.

The long-term return expectation for the INPRS defined benefit retirement plans has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. In order to determine the expected long-term nominal rate of return, the asset class geometric



real returns are projected for a 30-year time horizon. These returns are combined with a projected covariance matrix and the target asset allocations to create a range of expected long-term real rates of return for the portfolio. A range of possible expected long-term rates of return is created by adding the forecasted inflation to the expected long-term real rates of return and adding an expected contribution to the return due to manager selection. This range ultimately supports the long-term expected rate of return assumption of 6.25% selected by the Board as the discount rate. The assumption is a long-term assumption and is not expected to change with small fluctuations in the underlying inputs, but may change with a fundamental shift in the underlying market factors or significant asset allocation change.

Global Asset Classes	Target Allocation	Geometric Basis Long-Term Expected Real Rate of Return
Public Equity	20.00%	3.7%
Private Markets	15.00%	6.4%
Fixed Income - Ex Inflation-Linked	20.00%	2.2%
Fixed Income - Inflation-Linked	15.00%	0.5%
Commodities	10.00%	1.1%
Real Estate	10.00%	3.4%
Absolute Return	5.00%	1.6%
Risk Parity	20.00%	5.9%
Cash and Cash Overlay	N/A	-

Discount Rate The Total Pension Liability (TPL) for each defined benefit pension plan was calculated using the long-term expected rate of return of 6.25%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and, where applicable, from members, would at the minimum be made at the actuarially determined required rates, computed in accordance with the current funding policy adopted by the Board, and contributions required by the State of Indiana (the non-employer contributing entity) would be made as stipulated by Indiana statute. Projected inflows from investment earnings were calculated using the 6.25% long-term assumed investment rate of return. Based on those assumptions, each defined benefit pension plan's Fiduciary Net Position were projected to be available to make all projected future benefit payments of current plan members, therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the TPL for each plan.

Note – 14 Other Postemployment Benefits (OPEB)

This note reports the other postemployment benefits for fiscal years 2025 and 2024.

Plan description - Vincennes University Healthcare Plan is a single-employer defined benefit healthcare plan administered by Anthem. Vincennes University's Board of Trustees has the authority to establish and amend benefit provisions.

Benefits provided - The plan provides medical, dental and life insurance benefits to eligible retirees and their spouses. Employees are eligible for health care benefits if they meet one of the following:

- Earlier of (a) age 55 with 20 years of service or (b) age 65 with 10 years of service for employees hired prior to July 1, 1997
- Age 55 and rule of 85 (when age plus number of years worked is 85 or greater) for employees hired on/after July 1, 1997

Employees covered by benefit terms - At June 30, 2025 and 2024, the number of employees covered by the benefit terms:

	2025	2024
Active Employees	702	704
Inactive or beneficiaries currently receiving benefit payments	275	278
Total	977	982

Contributions - The contribution requirements of plan members for the Vincennes University Healthcare Plan are established by the University. The required contribution was based on projected pay-as-you-go financing requirements, with additional prefunding at the University's discretion. For fiscal years 2025 and 2024, the University drew \$1,880,107 and \$1,942,026 annually for the retiree claim cost from the Grantor's Trust. Retiree contributions for medical and dental ranged from \$189.37 to \$224.03 per month for single coverage and from \$517.83 to \$569.83 per month for family coverage. The University offers retiree and spouse coverage, as well as retiree and dependent coverage.

Net OPEB Assets - The University's net OPEB assets were measured as of June 30, 2025 and 2024, and the total OPEB liabilities (assets) used to calculate the net OPEB assets were determined by actuarial valuations as of those dates.



Actuarial Assumptions- Liabilities as of June 30, 2025 are based on the actuarial valuation date of July 1, 2024 projected to June 30, 2025, with adjustments for actual premium, trend and discount rate changes from 2024 to 2025. Liabilities as of June 30, 2024 are based on an actuarial valuation date of July 1, 2024 with no adjustments to get to the June 30, 2024 measurement date. The following actuarial assumptions were utilized:

- Actuarial Cost Method - Entry Age Normal Level Percentage of Salary
- Inflation Rate - 2.65%
- Payroll Growth – Merit increases based on the Public Employees Retirement Fund Actuarial Valuation as of June 30, 2023 are as shown below:

Service	Rates
0	6.00%
5	2.00%
10	0.75%
13+	0.00%

- The discount rate was 5.80% as of June 30, 2025 and 6.20% as of June 30, 2024 for accounting and funding disclosure purposes.
- Retirement Age - Retirement rates are as shown below and they are based on the University’s actual retirement experience in 2018 through 2022.

Age	Rate
55-56	20.00%
57-58	5.00%
59	10.00%
60	10.00%
61	10.00%
62	20.00%
63	30.00%
64	30.00%
65	35.00%
66-69	25.00%
70+	100.00%

- Turnover Rates - Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. Withdrawal rates are based on standard withdrawal table Saranson T-9 adjusted to reflect the University’s actual withdrawal experience in 2018 through 2022.
- 2025 Healthcare Cost Trend Rates: 8.00 percent for 2026 and 7.75 percent for 2027, decreasing .25 percent per year to an ultimate rate of 4.50 percent for 2040 and later years.
- 2024 Healthcare Cost Trend Rates: 8.00 percent for 2025 and 7.50 percent for 2026, decreasing .5 percent per year to an ultimate rate of 4.50 percent for 2032 and later years.
- Mortality Rates – For 2025 and 2024, SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 was used for general employees and retirees. SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021 was used for surviving spouses.
- Spousal Coverage - 65% of male employees and 45% of female employees are assumed to be married at retirement. Husbands are assumed to be three years older than wives. Actual spouse coverage and age is used for retirees.



The University's last experience study was conducted in 2023.

Discount Rate – The discount rate used to value benefits was the long-term expected rate of return on plan investments, 5.80% for 2025 and 6.20% for 2024. The plan's net fiduciary position is projected to be sufficient to make projected benefit payments. When the OPEB plan investments are insufficient to cover future benefit payments, a yield for 20-year tax exempt general obligation municipal bonds with average rating of AA/Aa or higher (or equivalent quality on another rating scale) must be used.

The long-term expected rate of return on OPEB plan investment was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. This method was prescribed by GASB 75 which eliminated using general rates of return and best estimates. These expected future real rates of return are then combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB Plan's target asset allocation remained unchanged for 2025 and 2024. The combined long-term expected rate of return are summarized below:

Asset Class	Target Allocation	2025 L/T Expected ROR	2024 L/T Expected ROR
U.S. Broad Equity	26.00%	7.30%	7.60%
Global ex-U.S. Equity	8.00%	7.40%	7.70%
Core U.S. Fixed	41.00%	4.80%	5.30%
Short Duration Fixed Income	20.00%	4.00%	4.30%
Cash Equivalents	5.00%	3.00%	3.00%
Total	100.00%	5.80%	6.20%

Changes in Net OPEB Liability (Asset) – The following table reports the components of 2025 changes in net OPEB (asset):

Schedule of Changes in Net OPEB Liability			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)
Beginning Balance	\$ 38,744,459	\$ 71,549,865	\$ (32,805,406)
Changes for the Year			
Service cost	155,719	-	155,719
Interest	2,338,301	-	2,338,301
Difference between expected and actual experience	8,115,260	-	8,115,260
Changes in assumptions	3,211,094	-	3,211,094
Changes in Benefit Terms	-	-	-
Benefit Payments	(2,407,488)	(2,407,488)	-
Contributions - Employer	-	586,431	(586,431)
Net Investment income	-	7,289,148	(7,289,148)
Administrative expense	-	(44,386)	44,386
Net Change	\$ 11,412,886	\$ 5,423,705	\$ 5,989,181
Ending Balance	\$ 50,157,345	\$ 76,973,570	\$ (26,816,225)



The following table reports the components of 2024 changes in net OPEB (asset):

Schedule of Changes in Net OPEB Liability			
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Asset)
Beginning Balance	\$ 42,813,900	\$ 66,021,668	\$ (23,207,768)
Changes for the Year			
Service cost	185,337	-	185,337
Interest	2,335,480	-	2,335,480
Difference between expected and actual experience	(3,140,604)	-	(3,140,604)
Changes in benefit terms	-	-	-
Changes in assumptions	(825,428)	-	(825,428)
Benefit Payments	(2,624,226)	(2,624,226)	-
Contributions - Employer	-	741,250	(741,250)
Net Investment income	-	7,455,577	(7,455,577)
Administrative expense	-	(44,404)	44,404
Net Change	\$ (4,069,441)	\$ 5,528,197	\$ (9,597,638)
Ending Balance	\$ 38,744,459	\$ 71,549,865	\$ (32,805,406)

Sensitivity Results The following presents the Net OPEB Liability (Asset) as of June 30, 2025 and 2024, calculated using the discount rate assumed and what it would be using a 1% higher and 1% lower discount rate.

As of June 30, 2025	Net OPEB Asset
1% Decrease 4.80%	\$ (21,190,142)
Current Discount Rate 5.80%	\$ (26,816,225)
1% Increase 6.80%	\$ (31,557,523)

As of June 30, 2024	Net OPEB Asset
1% Decrease 5.20%	\$ (28,512,023)
Current Discount Rate 6.20%	\$ (32,805,406)
1% Increase 7.20%	\$ (36,427,953)

The following presents the Net OPEB Liability (Asset) as of June 30, 2025, using the health care trend rates assumed and what it would be using 1% higher and 1% lower health care trend rates.

- The current health care trend rate starts at an initial rate of 8.00%, decreasing to an ultimate rate of 4.50%.
- The 1% decrease in health care trend rates would assume an initial rate of 7.00%, decreasing to an ultimate rate of 3.50%.
- The 1% increase in health care trend rates would assume an initial rate of 9.00%, decreasing to an ultimate rate of 5.50%.

As of June 30, 2025	Net OPEB Asset
1% Decrease	\$ (31,474,368)
Current Trend Rates	\$ (26,816,225)
1% Increase	\$ (21,358,295)



The following presents the Net OPEB Asset as of June 30, 2024, using the health care trend rates assumed and what it would be using 1% higher and 1% lower health care trend rates.

- The current health care trend rate starts at an initial rate of 8.00%, decreasing to an ultimate rate of 4.50%.
- The 1% decrease in health care trend rates would assume an initial rate of 7.00%, decreasing to an ultimate rate of 3.50%.
- The 1% increase in health care trend rates would assume an initial rate of 9.00%, decreasing to an ultimate rate of 5.50%.

As of June 30, 2024	Net OPEB Asset
1% Decrease	\$ (36,077,932)
Current Trend Rates	\$ (32,805,406)
1% Increase	\$ (28,984,324)

Deferred Outflows / (Inflows) of Resources For the years ending June 30, 2025 and 2024, the University recognized OPEB expenses/negative expenses of (\$3,887,384) and (\$7,358,115). The University reported deferred outflows of resources and deferred inflows of resources related OPEB from the following sources:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 7,451,809	\$ (3,622,995)	\$ 1,919,200	\$ (5,777,156)
Changes in Assumptions	2,643,168	(6,123,328)	1,267,311	(9,102,449)
Net difference between projects and actual earnings on OPEB plan investments	-	(3,490,981)	-	(1,912,229)
Total	\$ 10,094,977	\$ (13,237,304)	\$ 3,186,511	\$ (16,791,834)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB expenses are as follows:

Year ended June 30, 2025:	Amount
2026	\$ (950,115)
2027	\$ (4,003,222)
2028	\$ 127,745
2029	\$ 1,683,266
2030	\$ -
Thereafter	\$ -

Year ended June 30, 2024:	Amount
2025	\$ (3,729,926)
2026	\$ (2,633,383)
2027	\$ (5,686,490)
2028	\$ (1,555,523)
2029	\$ -
Thereafter	\$ -

Note 15 – Risk Management

The University is exposed to various risks of loss: torts, theft, damage or destruction of assets; errors or omissions; job-related illnesses or injuries to employees; and health and other medical benefits provided to employees and their dependents. The University handles these risks of loss through combinations of risk retention and commercial insurance. For building and contents, the risk retention is \$75,000 per incident. General liability, commercial crime, cyber crime, aviation, worker's compensation, commercial automobile, and medical malpractice are all handled through fully insured commercial policies. During the past three fiscal years, claims have not exceeded insurance coverage levels, and there has been no significant reduction in coverage.



For health benefits, the University has an insured self-funded arrangement. The University retains the risk for medical benefits up to a maximum stop loss provision of \$325,000 per member. There is a liability for incurred but unpaid claims. This liability is estimated to be \$537,911 for the fiscal year 2024-25. The estimated liability for the fiscal year 2023-24 was \$851,249.

The liability, for medical claims incurred but not reported at June 30, is based on an average monthly claim multiplied by the plan's provider's average turnaround time from when the claims are incurred to when the claims are submitted for payment.

Changes in the incurred but unpaid claim liability for self-insured health, dental & drug benefit during the years ending June 30, 2025 and 2024 were as follows:

	2025		2024	
Balance, beginning of year	\$	851,249	\$	744,477
Claims incurred		12,192,515		14,067,306
Claim payments		(12,505,853)		(13,960,534)
Balance, end of year	\$	537,911	\$	851,249

Note 16 – Functional Statement

Operating expenses by functional classification are summarized as of June 30:

2025	Salaries and Benefits	Scholarships/ Fellowships	Supplies and Other Services	Equipment	Depreciation	Total
Instruction	\$ 32,206,157	\$ -	\$ 16,032,679	\$ 1,079,472	\$ -	\$ 49,318,308
Academic Support	3,892,118	-	1,004,597	145,518	-	5,042,233
Public Service	7,255,365	-	3,977,633	157,339	-	11,390,337
Student Service	5,306,029	-	2,299,755	42,256	-	7,648,040
Operation and Maintenance of Plant	4,454,246	-	4,631,092	589,776	-	9,675,114
Institutional Support	8,386,362	-	1,336,560	400,953	-	10,123,875
Depreciation	-	-	-	-	17,992,158	17,992,158
Auxiliary Enterprises	3,660,786	-	5,864,040	134,623	-	9,659,449
Student Aid Expense	-	3,616,285	-	-	-	3,616,285
Total Operating Expenses	\$ 65,161,063	\$ 3,616,285	\$ 35,146,356	\$ 2,549,937	\$ 17,992,158	\$ 124,465,799

Restated* 2024	Salaries and Benefits	Scholarships/ Fellowships	Supplies and Other Services	Equipment	Depreciation	Total
Instruction	\$ 30,151,810	\$ -	\$ 15,876,021	\$ 198,093	\$ -	\$ 46,225,924
Academic Support	3,938,018	-	1,117,629	160,214	-	5,215,861
Public Service	6,333,897	-	4,944,688	201,603	-	11,480,188
Student Service	4,645,295	-	2,002,172	65,769	-	6,713,236
Operation and Maintenance of Plant	3,940,418	-	4,812,923	748,336	-	9,501,677
Institutional Support	7,780,859	-	1,381,725	396,286	-	9,558,870
Depreciation	-	-	-	-	18,000,637	18,000,637
Auxiliary Enterprises	3,203,342	-	6,004,032	824,933	-	10,032,307
Student Aid Expense	-	3,084,590	-	-	-	3,084,590
Total Operating Expenses	\$ 59,993,639	\$ 3,084,590	\$ 36,139,190	\$ 2,595,234	\$ 18,000,637	\$ 119,813,290



Note 17- Change in Accounting Principle

GASB STATEMENT 101, COMPENSATED ABSENCES

Effective for the fiscal year ended June 30, 2025, the University adopted GASB Statement 101, *Compensated Absences*. This statement establishes new requirements for calculating and reporting the University's accrued compensation amounts. This restatement is reportable at the beginning of the earliest period presented in the University's comparative financial statements.

These balances were calculated using the facts and circumstances that existed at July 1, 2023, as prescribed by GASB 101. There was no impact to the beginning net position at July 1, 2023.

Beginning net position and the liabilities as of July 1, 2024 were restated for the effects of the University's adoption of GASB 101 as follows:

	June 30, 2024 as originally reported	GASB 101 Impact	July 1, 2024 as Restated
Current liabilities	\$ 23,334,322	\$ 512,765	\$ 23,847,087
Noncurrent liabilities	25,613,280	866,536	26,479,816
Total liabilities	\$ 48,947,602	\$ 1,379,301	\$ 50,326,903
Net Position	\$ 528,250,876	\$ (1,379,301)	\$ 526,871,575

Note 18 - Vincennes University Foundation Investments

Investments are presented in the financial statements in the aggregate at market value. Realized and unrealized gains (losses) are recorded as current income in the statement of activities and changes in net assets. Investment return is presented net of investment fees. A comparison with book (cost) value is as follows:

	June 30, 2025		June 30, 2024	
	Cost	Market	Cost	Market
Without Donor Restrictions	\$ 3,415,773	\$ 4,129,211	\$ 2,199,254	\$ 2,647,965
With Donor Restrictions	113,090,843	132,972,804	109,657,342	123,147,165
Totals	\$ 116,506,616	\$ 137,102,015	\$ 111,856,596	\$ 125,795,130
Investments composed of:				
Money Market Funds	\$ 4,591,383	\$ 4,591,383	\$ 1,361,504	\$ 1,361,504
Bonds	9,908,472	9,690,836	11,016,134	10,352,030
Mutual Funds:				
Equity	40,867,734	63,106,463	41,595,789	60,502,129
Fixed Income	59,419,434	58,026,755	56,423,522	52,251,415
Balanced	1,719,593	1,686,578	1,459,647	1,328,052
Totals	\$ 116,506,616	\$ 137,102,015	\$ 111,856,596	\$ 125,795,130

The market value of the Foundation's investments in US Government Bonds are measured by Level 2 inputs, while all other investments are measured by Level 1 inputs in accordance with ASC 820.



Note 19 - Subsequent Event

State appropriations were cut five percent for the fiscal year 2026 and fiscal year 2027 biennial funding cycle. For Vincennes University, these cuts will total \$5.4 million with an additional \$4.4 million to be held in reserve for this biennium. In addition, State universities are required to keep tuition rates flat for these fiscal years.



Schedules of Required Supplementary Information

Schedule of Employer's Share of Net Pension Liability

Teachers' Retirement Fund Pre-1996 Accounts (TRF Pre-1996) Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Employer's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2. Employer's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. The portion of the non-employer contributing entities total proportionate share (amount) of the collective NPL associated with the employer.	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
4. Employer's covered-employee payroll	\$ 999,308	\$ 1,230,848	\$ 1,478,888	\$ 1,975,732	\$ 2,585,868	\$ 2,921,880	\$ 4,680,280	\$ 4,171,811	\$ 4,958,979	\$ 5,211,158
5. Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6. Plan fiduciary net position as a percentage of the total pension liability**	67.10%	61.80%	36.40%	35.40%	26.20%	26.10%	25.40%	23.10%	22.60%	23.60%

**Adjusted to reflect DB activity only due to the DB/DC split effective January 1, 2018.

Measurement Dates were 6/30 for each of the years presented.



Schedules of Employer Contributions

Teachers' Retirement Fund Pre-1996 Accounts (TRF Pre-1996) Last 10 Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 59,958	\$ 73,851	\$ 81,339	\$ 107,991	\$ 142,223	\$ 219,141	\$ 351,021	\$ 312,886	\$ 371,923	\$ 293,388
Contributions in relation to the statutorily required contribution	\$ 59,958	\$ 73,851	\$ 81,339	\$ 107,991	\$ 142,223	\$ 219,141	\$ 351,021	\$ 312,886	\$ 371,923	\$ 293,388
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 999,308	\$ 1,230,848	\$ 1,478,888	\$ 1,975,732	\$ 2,585,868	\$ 2,921,880	\$ 4,680,280	\$ 4,171,811	\$ 4,958,979	\$ 5,211,158
Contributions as percentage of covered-employee payroll	6.00%	6.00%	5.50%	5.50%	5.50%	7.50%	7.50%	7.50%	7.50%	5.63%

Schedules of Employer's Share of Net Pension Liability

Teachers' Retirement Fund 1996 Account (TRF 1996) Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1. Employer's proportion of the net pension liability (asset)	0.0088000%	0.0099400%	0.0093000%	0.0122700%	0.0152300%	0.0203200%	0.0285400%	0.0314000%	0.0362700%	0.0410200%
2. Employer's proportionate share of the net pension liability (asset)	\$ 144,779	\$ 107,983	\$ 61,236	\$ (57,643)	\$ 11,870	\$ (29,192)	\$ 31,654	\$ 207,930	\$ 283,095	\$ 216,002
3. Employer's covered-employee payroll	\$ 391,511	\$ 387,721	\$ 364,925	\$ 447,309	\$ 505,163	\$ 662,397	\$ 896,943	\$ 947,989	\$ 1,044,676	\$ 1,124,175
4. Employer's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	6.00%	6.00%	5.50%	5.50%	5.50%	3.50%	3.50%	21.90%	27.10%	19.20%
5. Plan fiduciary net position as a percentage of the total pension liability **	83.60%	87.70%	91.90%	106.20%	98.80%	102.40%	98.00%	88.00%	84.90%	88.90%

**Adjusted to reflect DB activity only due to the DB/DC split effective January 1, 2018.

Measurement Dates were 6/30 for each of the years presented.



Schedules of Employer Contributions

Teachers' Retirement Fund 1996 Account (TRF 1996) Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 23,491	\$ 23,263	\$ 20,071	\$ 24,602	\$ 27,784	\$ 49,680	\$ 67,271	\$ 71,099	\$ 78,351	\$ 84,313
Contributions in relation to the statutorily required contribution	\$ 23,491	\$ 23,263	\$ 20,071	\$ 24,602	\$ 27,784	\$ 49,680	\$ 67,271	\$ 71,099	\$ 78,351	\$ 84,313
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 391,511	\$ 387,721	\$ 364,925	\$ 447,309	\$ 505,163	\$ 662,397	\$ 896,943	\$ 947,989	\$ 1,044,676	\$ 1,124,175
Contributions as percentage of covered-employee payroll	6.00%	6.00%	5.50%	5.50%	5.50%	7.50%	7.50%	7.50%	7.50%	7.50%

RSI NOTES FOR TRF PRE-1996 AND TRF 1996

Fiscal Year 2025:

Changes in Actuarial Assumptions: The COLA assumption was revised following the passage of HEA 1004-2024. In lieu of a select and ultimate COLA assumption of 0.4% until 2034, 0.5% until 2039, and 0.6% in 2039 and thereafter, the act requires supplemental benefit funding for an inflation-indexed 13th check for participants who commence prior to July 1, 2025, and a 1% COLA for commencements thereafter. No additional benefits have yet been granted beyond this fiscal year 2025 13th check.

Change in Actuarial Methods: Pursuant to Section 5 of the HEA 1004-2024, the 1% cap on the surcharge rates were removed. The surcharge rates may not decrease, but may increase by no more than .01% of payroll per year. This section expires 12/31/2029. The surcharge rate method was significantly revised following the passage of HEA 1004-2024.

Fiscal Year 2024:

Change in Funding Policy: The House Enrolled Act (HEA) 1001 has a financial impact for the current and future years. These changes of been included in the actuarial valuations, where applicable, as of June 30, 2023. The special appropriation of \$3.2 billion for Pre-'96 DB was the driving factor in the increase in its funded status.

Change in Benefit Terms: In June 2023, TRF members with a least 20 years of service are now eligible for in-service retirement, also known as Millie Morgan retirement, at age 65. This change excludes elected officials

who are still able to begin in-service retirement at age 55 with 20 years of service.

Fiscal Year 2023

Change in Funding Policy: In June 2022, the funding policy was modified to change the parameters related to the TRF 1996 employer contribution rates. Once the plan, reaches 95% funded, the employers contribution rate will be decreased by 25% of the difference between the existing rate and the base benefit actuarially determined contribution (ADC) until the plan reaches a 110% funded status. The updated funding policy is effective for the June 30, 2022 valuation, but since the Fund has a funded ratio just under the trigger of 95%, the new policy will not have an impact on the contribution rates set forth with this valuation.

Changes in Actuarial Assumptions: The following changes were effective for the June 30, 2021 valuation:

1. The interest rate /investment return assumption changed from 6.75 percent to 6.25 percent.
2. The inflation rate assumption changed from 2.25 percent to 2.00 percent.
3. The future salary scale assumption changed from 2.75% - 12.00% to 2.65% - 11.90%.

Fiscal Years 2018 - 2022

Changes of Benefit Terms: In 2019, TRF Pre-1996 DB and TRF 1996 DB was modified pursuant to HEA 1059. Previously, Indiana statute generally required TRF members to have 15 years of service to qualify for a survivor



benefit prior to retirement. Statute now allows a qualifying spouse/dependent to receive a benefit if the deceased member had a minimum of 10 years of creditable service.

Changes in Plan Provisions: For the actuarial valuation as of June 30, 2018, the COLA assumptions was changed due to passage of Senate Enrolled Act No. 373. In lieu of a 1.0% COLA beginning January 1, 2020, INPRS assume the COLA will be replaced by a 13th check for 2020 and 2021. The COLA assumption thereafter, would be 0.4% beginning on January 1, 2022, changing to 0.5% beginning on January 1, 2034 , and ultimately 0.6% beginning on January 1, 2039.

** Adjusted to reflect DB activity only due to the DB/DC split effective January 1, 2018.

Measurement Dates were 6/30 for each of the years presented.



Vincennes University Health Care Plan

Schedule of Changes in Net OPEB Liability & Related Ratios ***

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 155,719	\$ 185,337	\$ 366,421	\$ 396,807	\$ 323,802	\$ 376,951	\$ 382,426	\$ 270,195
Interest	2,338,301	2,335,480	2,233,036	1,915,299	2,260,402	3,242,584	2,718,431	3,310,012
Change in benefit terms	-	-	-	3,611,633	-	-	-	-
Change in assumptions	3,211,094	(825,428)	(14,070,177)	371,465	5,593,625	1,305,275	(5,123,923)	14,553,977
Differences between expected and actual experience	8,115,260	(3,140,604)	(4,346,581)	4,797,997	(3,283,612)	(15,374,012)	7,993,123	(7,609,805)
Benefit payments, including refunds of member contributions	(2,407,488)	(2,624,226)	(2,684,997)	(2,269,438)	(2,407,228)	(3,013,396)	(2,404,802)	(2,509,814)
Net Change in Total OPEB Liability	\$ 11,412,886	\$ (4,069,441)	\$ (18,502,298)	\$ 8,823,763	\$ 2,486,989	\$ (13,462,598)	\$ 3,565,255	\$ 8,014,565
Total OPEB Liability - Beginning (a)	\$ 38,744,459	\$ 42,813,900	\$ 61,316,198	\$ 52,492,435	\$ 50,005,446	\$ 63,468,044	\$ 59,902,789	\$ 51,888,224
Total OPEB Liability - Ending (a)	\$ 50,157,345	\$ 38,744,459	\$ 42,813,900	\$ 61,316,198	\$ 52,492,435	\$ 50,005,446	\$ 63,468,044	\$ 59,902,789
Plan Fiduciary Net Position								
Contributions - employer	\$ 586,431	\$ 741,250	\$ 701,291	\$ 285,050	\$ 415,971	\$ 3,036,891	\$ 2,415,203	\$ 2,534,150
Contributions - member	-	-	-	-	-	-	-	-
Net Investment income	7,289,148	7,455,577	4,550,261	(7,433,828)	10,703,849	1,922,418	2,838,090	1,997,219
Benefit payments, including refunds of member contributions	(2,407,488)	(2,624,226)	(2,684,997)	(2,269,438)	(2,407,228)	(3,013,396)	(2,404,802)	(2,509,814)
Administrative expense	(44,386)	(44,404)	(39,637)	(44,085)	(50,369)	(47,897)	(44,937)	(49,184)
Net Change in Plan Fiduciary Net Position	\$ 5,423,705	\$ 5,528,197	\$ 2,526,918	\$ (9,462,301)	\$ 8,662,223	\$ 1,898,016	\$ 2,803,554	\$ 1,972,371
Plan Fiduciary Net Position - Beginning (b)	\$ 71,549,865	\$ 66,021,668	\$ 63,494,750	\$ 72,957,051	\$ 64,294,828	\$ 62,396,812	\$ 59,593,258	\$ 57,620,887
Plan Fiduciary Net Position - Ending (b)	\$ 76,973,570	\$ 71,549,865	\$ 66,021,668	\$ 63,494,750	\$ 72,957,051	\$ 64,294,828	\$ 62,396,812	\$ 59,593,258
Net OPEB Liability (Asset) Beginning (a) - (b)	\$ (32,805,406)	\$ (23,207,768)	\$ (2,178,552)	\$ (20,464,616)	\$ (14,289,382)	\$ 1,071,232	\$ 309,531	\$ (5,732,663)
Net OPEB Liability (Asset) Ending (a) - (b)	\$ (26,816,225)	\$ (32,805,406)	\$ (23,207,768)	\$ (2,178,552)	\$ (20,464,616)	\$ (14,289,382)	\$ 1,071,232	\$ 309,531
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	153.5%	184.7%	154.2%	103.6%	139.0%	128.6%	98.3%	99.5%
Covered Employee Payroll	\$ 39,503,621	\$ 36,684,718	\$ 34,636,500	\$ 33,766,298	\$ 33,525,288	\$ 34,031,574	\$ 33,501,334	\$ 34,637,847
Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	-67.9%	-89.4%	-67.0%	-6.5%	-61.0%	-42.0%	3.2%	0.9%

*** Complete data for this schedule is not available prior to 2018.





RSI NOTES FOR OPEB

Fiscal Year 2025:

Change in Benefit Terms: There were no changes of benefit terms for the plan year ended June 30, 2025.

Change in Assumptions: The discount rate was updated from 6.20% as of June 30, 2024 to 5.80% as of June 30, 2025 for accounting and funding disclosure.

Health Care trend rates were updated to an initial rate of 8.00% (and 6.50%) for Pre-65 (and Post-65) starting in 2026 decreasing annually by 0.25% to an ultimate rate of 4.50%. Rising GLP-1 drug (diabetic/weight loss drug) usage is driving increased pre-65 trends. The initial rate considered employer history, national trends, professional judgement, and data from government agencies. Health Care cost trend rates integrated these factors and additionally incorporated both short-term and long-term expectations. This change caused an increase in University's liabilities.

Fiscal Year 2024:

Change in Benefit Terms: There were no changes of benefit terms for the plan year ended June 30, 2024.

Change in Assumptions: From FY24 to FY23, per capita costs were updated on claims data for CY 2022 and CY 2023, resulting in a decrease in liabilities. The updated census data as of June 30, 2024 that was utilized in the valuation resulted in a decrease in liabilities, primarily related to more terminations and fewer retirements than expected. Additionally, the discount rate has been updated from 5.60% as of June 30, 2023 to 6.20% as of June 30, 2024 for accounting and funding purposes based on the expected long-term rate of return for the OPEB plan investments.

Healthcare trends were updated to an initial rate of 8.00% decreasing by 0.50% per year to an ultimate rate of 4.50%

for pre-65 benefits and an initial rate of 6.50% decreasing by 0.25% per year to an ultimate rate of 4.50% for post-65 benefits. Dental trend rates have been updated to 4.00% per year. This change caused an increase in liabilities for the University.

Fiscal Year 2023:

Change in Benefit Terms: There were no changes of benefit terms for the plan year ended June 30, 2023.

Change in Assumptions: From FY22 to FY23, the retirement rate, termination rate, and healthcare coverage election rate assumptions have been updated based on an experience study using data from 2018 to 2022 completed by Nyhart for the University. The net impact of these changes was a decrease in liabilities. Additionally, the discount rate has been updated from 3.70% as of June 30, 2022 to 5.60% as of June 30, 2023 for accounting and funding purposes based on the expected long-term rate of return for the OPEB plan investments.

Fiscal Year 2022:

Change in Benefit Terms: The retiree contribution percentage for post-65 health coverage has decreased from 30% to 25%.

Change in Assumptions: From FY21 to FY22, the mortality assumption was updated from the SOA MP-2019 mortality improvement scale to the SOA MP-2021 improvement scale. The payroll growth assumption has been updated to follow the Public Employees Retirement Fund (PERF) Actuarial Valuation as of June 30, 2021. Health care trend rates have been updated to an initial rate of 7.5% decreasing by 0.50% per year to an ultimate rate of 4.5% for pre-65 benefits and an initial rate of 6.5% decreasing by 0.25% per year to an ultimate rate of 4.5% for post-65 benefits. Dental trend rates have been updated to 4.0% per year.



Fiscal Year 2021:

Change in Benefit Terms: There were no changes of benefit terms for the plan year ended June 30, 2021.

Change in Assumptions: From FY21 to FY20, the discount rate decreased from 4.6% to 3.7%. All other assumptions remained the same from the prior year.

Fiscal Year 2020:

Change in Benefit Terms: There were no changes of benefit terms for the plan year ended June 30, 2020.

Change in Assumptions: From FY19 to FY20, the mortality tables moved from the RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 to the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019 for general employees and retirees, and to SOA Pub-2010 Continuing Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019 for surviving spouses. The discount rate decreased to 4.6% as of June 30, 2020. The health care trend rates have been reset to an initial 8.0% decreasing by 0.5% annually to an ultimate rate of 4.5%.

Fiscal Year 2019:

Change in Benefits Terms: The University moved to a self-insured retiree life insurance plan for the period beginning January 1, 2019.

Change in Assumptions: The discount rate was 5.2% as of June 20, 2019, and 4.6% as of July 1, 2018. The health care trend rates have been reset to an initial 8.5% decreasing by 0.5% annually to an ultimate rate of 5.0%.

*** Complete data for this schedule is not available prior to 2018.

Vincennes University Health Care Plan

Schedule of the University's Contributions

	2025	2024	2023	2022	2021
Actuarially Determined Contribution (ADC)	\$ -	\$ -	\$ 244,912	\$ -	\$ -
Contributions in relation to the ADC	586,431	741,250	701,291	285,050	415,971
Contribution deficiency (excess)	\$ (586,431)	\$ (741,250)	\$ (456,379)	\$ (285,050)	\$ (415,971)
Covered employee payroll	\$ 39,503,621	\$ 36,684,718	\$ 34,636,500	\$ 33,766,298	\$ 33,525,288
Contributions as a percentage of covered employee payroll	1.5%	2.0%	2.0%	0.8%	1.2%

	2020	2019	2018	2017	2016
Actuarially Determined Contribution (ADC)	\$ 481,468	\$ 419,559	\$ -	\$ 359,603	\$ 1,060,381
Contributions in relation to the ADC	3,036,891	2,534,150	2,534,150	6,579,862	5,896,030
Contribution deficiency (excess)	\$ (2,555,423)	\$ (2,114,591)	\$ (2,534,150)	\$ (6,220,259)	\$ (4,835,649)
Covered employee payroll	\$ 34,031,574	\$ 33,501,334	\$ 34,637,847	\$ 34,778,458	\$ 34,557,145
Contributions as a percentage of covered employee payroll	8.9%	7.6%	7.3%	18.9%	17.1%

The Actuarially Determined Contributions (ADC) shown above are based on the Annual Required Contribution (ARC) calculated in prior GASB 45 actuarial valuations as shown in the University's 2013-2017 financial statements.



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VINCENNES UNIVERSITY

1002 North First Street
Vincennes, IN 47591

www.vinu.edu