



UNIVERSITY OF ALASKA

(A COMPONENT UNIT OF THE STATE OF ALASKA)



FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

WITH INDEPENDENT AUDITORS' REPORT THEREON

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A note about the cover: UAS student during a Kayak Oceanography outing, July 2019

MANAGEMENT'S DISCUSSION & ANALYSIS

(Unaudited – see accompanying accountants' report)

Introduction

The following discussion and analysis provide an overview of the financial position and activities of the University of Alaska (University) for the years ended June 30, 2025 (2025) and June 30, 2024 (2024), with selected comparative information for the year ended June 30, 2023 (2023). This discussion has been prepared by management and should be read in conjunction with the financial statements including the notes thereto, which follow this section.

Using the Financial Statements

The University's financial report includes the basic financial statements of the University and the financial statements of the University of Alaska Foundation (Foundation), a legally separate, nonprofit component unit. The three basic financial statements of the University are: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. These statements are prepared in accordance with generally accepted accounting principles (Governmental Accounting Standards Board (GASB) pronouncements). The University is presented as a business-type activity. GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities*, establishes standards for external financial reporting for public colleges and universities and classifies resources into three net position categories – unrestricted, restricted, and net investment in capital assets.

The Foundation is presented as a component unit of the University in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The Foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented according to U.S. generally accepted accounting principles and Financial Accounting Standards Board (FASB) pronouncements.

The Foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the University. Resources managed by the Foundation and distributions made to the University are governed by the Foundation's Board of Trustees (operating independently and separately from the University's Board of Regents). The component unit status of the Foundation indicates that significant resources are held by the Foundation for the sole benefit of the University.

Statement of Net Position

The Statement of Net Position presents the financial position of the University at the end of the fiscal year and includes all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the University. The net position is one indicator of the financial condition of the University, while the change in net position is an indicator of whether the financial condition has improved or declined during the year.

A summarized 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 follows (\$ in thousands):

	FY 2025	FY 2024	FY 2023
Assets:			
Current Assets	\$ 137,822	\$ 120,538	\$ 167,169
Other noncurrent assets	655,088	575,271	529,546
Capital assets, net of depreciation and amortization	1,434,636	1,479,298	1,495,029
Total assets	2,227,546	2,175,107	2,191,744
Deferred Outflow of Resources	26,748	32,371	36,184
Liabilities:			
Current liabilities	269,414	193,393	157,999
Noncurrent liabilities	516,482	497,707	508,847
Total liabilities	785,896	691,100	666,846
Deferred Inflow of Resources	21,695	25,809	30,165
Net position:			
Net investment in capital assets	1,175,184	1,205,546	1,206,895
Restricted – expendable	248,663	243,531	232,692
Restricted – nonexpendable	137,674	137,513	137,351
Unrestricted	(114,818)	(96,021)	(46,021)
Total net position	\$ 1,446,703	\$ 1,490,569	\$ 1,530,917

Overall, total net position of the University decreased \$43.9 million, or 3 percent. The unrestricted net position totaled negative \$114.8 million at June 30, 2025, representing a decrease of \$18.8 million over the prior year. The decrease in net position is primarily a result of an increase in overall expenditures, mostly due to a reasonable drawdown of reserves to advance strategic initiatives related to enrollment growth, academic excellence, and strong research activity. More information can be found in note 7 of the financial statements. Without the pension liability and other post-employment benefit liabilities, unrestricted net position would be \$36.8 million. As of June 30, 2025, \$93.3 million of the unrestricted net position was reserved for specific purposes, while \$45.7 million was unreserved.

Deposits and investments totaled \$462.1 million at June 30, 2025, as compared to \$382.9 million at June 30, 2024. These funds consist of operating funds, endowment funds, and the Education Trust of Alaska, and funds held for State of Alaska Small Business Credit Initiative program and tribal program, totaling \$108.6 million and \$37.2 million at June 30, 2025 and 2024, respectively. The \$79.3 million overall increase in cash and investment balance from FY 2024 was primarily driven by a \$71.4 million increase in funds held for State of Alaska Small Business Credit Initiative program and tribal program. The remaining \$7.9 million increase resulted from stronger revenue and effective cost controls. More information is in Note 2 of the Notes to Financial Statements.

Liabilities are categorized as either current liabilities or noncurrent liabilities on the Statement of Net Position. Current liabilities are those that are due or will likely be paid in the next fiscal year. They are primarily comprised of accounts payable, accrued payroll and other expenses, insurance and risk management payables, amounts due in the next year on debt, and student deposits. Noncurrent liabilities

are comprised mostly of the net pension liability totaling \$272.4 million, and long-term debt of \$238.1 million.

Total debt outstanding, which includes General Revenue Bonds, notes payable, and financed purchase, decreased from \$265.9 million at June 30, 2024 to \$250.9 million at June 30, 2025. The decrease was primarily due to paying down debt principal. More information is available in the *Capital and Debt Activities* section that follows.

New Accounting Standards (Statement of Net Position)

The University implemented GASB Statement No. 101, *Compensated Absences* in FY 2025. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not used and (2) leave that has been used but yet paid in cash or settled through noncash means.

The University also implemented GASB Statement No. 102, *Certain Risk Disclosures* in FY 2025. This statement requires the disclosure of vulnerability from significant concentrations or constraints that could have a substantial impact.

Fiscal Year 2024 Comparisons (Statement of Net Position)

Significant comments about changes between 2023 and 2024 that were noted in FY 2024 *Management's Discussion and Analysis* are summarized below:

The Statement of Net Position reflected an overall decrease of 2.6 percent, or \$40.3 million.

Total debt outstanding, which includes financed purchase, decreased from \$280.3 million at June 30, 2023 to \$265.9 million at June 30, 2024. The decrease was primarily due to paying down of debt principal.

Unrestricted net position totaled negative \$96 million at June 30, 2024, representing a decrease of \$50 million over the prior year. At June 30, 2024, \$78.4 million was designated for specific purposes.

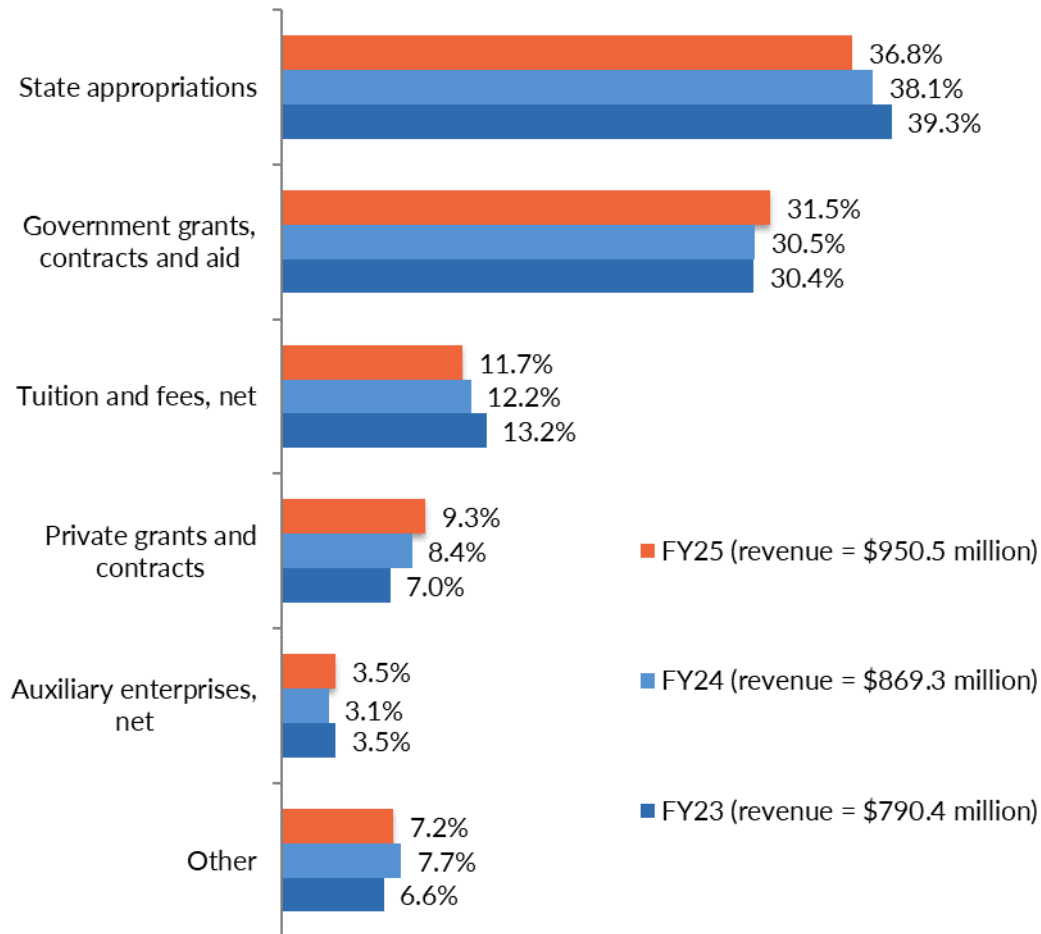
Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the results of operations for the University as a whole. Revenues, expenses and other changes in net position are reported as either operating or non-operating. Significant recurring sources of University revenue, such as state appropriations and investment earnings, are defined by GASB Statement No. 35 as non-operating.

A summarized comparison of the University's revenues, expenses and changes in net position for the years ended June 30, 2025, 2024 and 2023 follows (\$ in thousands):

	FY 2025	FY 2024	FY 2023
Operating revenues	\$ 537,351	\$ 477,641	\$ 424,816
Operating expenses	(1,033,172)	(938,503)	(803,372)
Operating loss	(495,821)	(460,862)	(378,556)
Net nonoperating revenues	426,580	385,900	348,724
Gain (Loss) before other revenues, expenses, gains, or losses	(69,241)	(74,962)	(29,832)
Other revenues, expenses, gains or losses	25,375	34,614	10,676
Increase (decrease) in net position	(43,866)	(40,348)	(19,156)
Net position, beginning of year	1,490,569	1,530,917	1,550,073
Net position, end of year	\$ 1,446,703	\$ 1,490,569	\$ 1,530,917

Operating and Nonoperating Revenues* by Year



* Excludes capital appropriations, grants and contracts, and state on-behalf payments for pension

The FY 2025 Statement of Revenues, Expenses and Changes in Net Position reflects a decrease in net position of 3 percent, or \$43.9 million. Major changes in revenues and expenses in 2025 are described below.

- The University received a total of \$350.2 million operating appropriation from the State of Alaska in FY 2025, as compared to \$331.6 million in FY 2024. These amounts include unrestricted general funds, funding for Mental Health Trust Authority programs and the Technical Vocational Education Program. This marks the fourth consecutive year of increased funding from the State of Alaska. This trend of increasing State support is resulting in greater stability for the University. State appropriations are substantially for funding a portion of operations, and in some cases are targeted for special programs or initiatives. In addition, the State contributed \$12.3 million and \$8.7 million directly to the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) defined benefit plans on behalf of the University for fiscal years 2025 and 2024, respectively. The State is paying the cost above the University's employer contribution rate to fully fund the plans at the actuarial computed rate and pay down the net pension liability. The University's employer contribution rates have been capped by State Statutes at 22 percent and 12.56 percent of covered payroll for PERS and TRS, respectively.

- Gross student tuition and fee revenue totaled \$135.9 million in 2025 as compared to \$126.2 million in 2024. The increase was primarily due to increase in student enrollment, resulting from efforts and resources being directed toward improving enrollment during FY 2025.

Strong enrollment trends are continuing into Fall 2025, with nearly 20,500 students anticipated to enroll by the close of the term. This is a projected increase of over 4 percent (870) students over fall 2024. Student credit hour (SCH) registration is also anticipated to increase by more than 6 percent (10,890 SCH), reaching over 185,625 SCH by the end of the term.

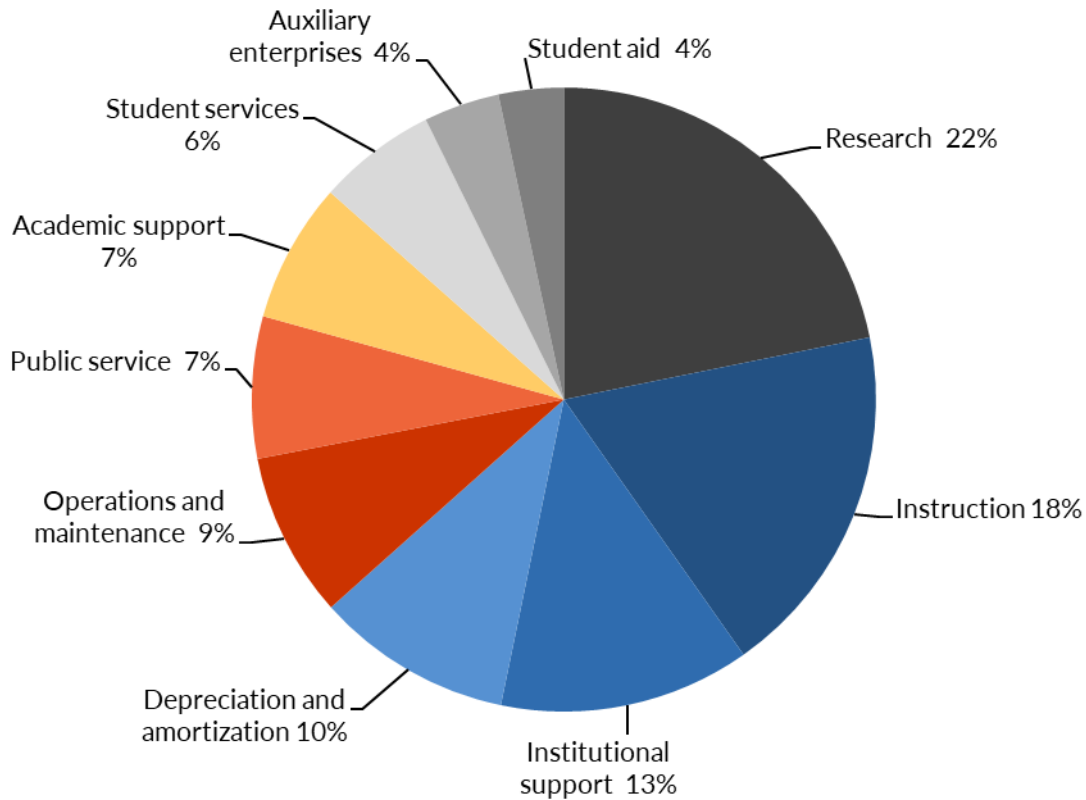
- Despite uncertainties in the Federal landscape, the University continues to demonstrate significant growth in externally funded research awards. Operating grant and contract revenue, which includes funding from federal, state, and local governments, as well as private grants and contracts, totaled \$387.9 million in 2025, an increase of \$49.7 million from \$338.3 million in 2024. The University receives grant funding from a diverse group of federal agencies, the State of Alaska, and private sponsors, including the University of Alaska Foundation. Generally, grant revenue is recorded when expenditures of the grant award occur, so the revenue reported in the financial statements reflects the amount expended in the applicable fiscal year. Grants provide funding primarily for research projects, instructional programs, public service activities, and student aid.
- Capital appropriations and capital grant and contract revenue decreased moderately from \$34.6 million in 2024 to \$25.4 million in 2025, reflecting a decrease in capital appropriations. This revenue category consists mostly of funds appropriated from the State of Alaska's capital budget. For a more detailed discussion on capital activity, see the *Capital and Debt Activities* section, which follows.
- Endowment investments produced a net income of \$20.2 million in 2025, as compared to net income of \$19.4 million in 2024. Total return in 2025 from the consolidated endowment fund was 10.72 percent as compared to 10.05 percent in 2024. Endowment proceeds also include yield from, or sales of, trust land, and mineral interests, the net proceeds of which are generally deposited into the land grant endowment trust fund.

A comparison of operating expenses by functional and natural classification for selected fiscal years follows (see Note 16 of the financial statements for more information).

	Operating Expenses*					
	Functional Classification (\$ in millions)					
	FY 2025		FY 2024		FY 2023	
Instruction	\$	186.0 18.4%	\$	177.9 19.1%	\$	161.5 20.0%
Student Services		62.1 6.2%		56.6 6.1%		49.0 6.1%
Student aid		34.1 3.4%		28.5 3.1%		23.0 2.8%
Academic Support		73.2 7.3%		62.6 6.7%		50.7 6.3%
Student and Academic		355.4 35.3%		325.6 35.0%		284.2 35.2%
Research		220.1 21.8%		203.5 21.8%		170.3 21.1%
Public Service		74.2 7.4%		65.2 7.0%		54.2 6.7%
Auxiliary Enterprises		39.6 3.9%		39.1 4.2%		33.8 4.2%
Institutional Support		131.3 13.0%		119.5 12.8%		92.6 11.5%
Operations and Maintenance		86.3 8.5%		79.9 8.6%		72.9 9.0%
Depreciation and amortization		102.6 10.1%		101.0 10.6%		100.6 12.3%
Total Operating Expenses	\$	1,009.5 100.0%	\$	933.8 100.0%	\$	808.6 100.0%

* Does not include On-Behalf payments made by State of Alaska for pension

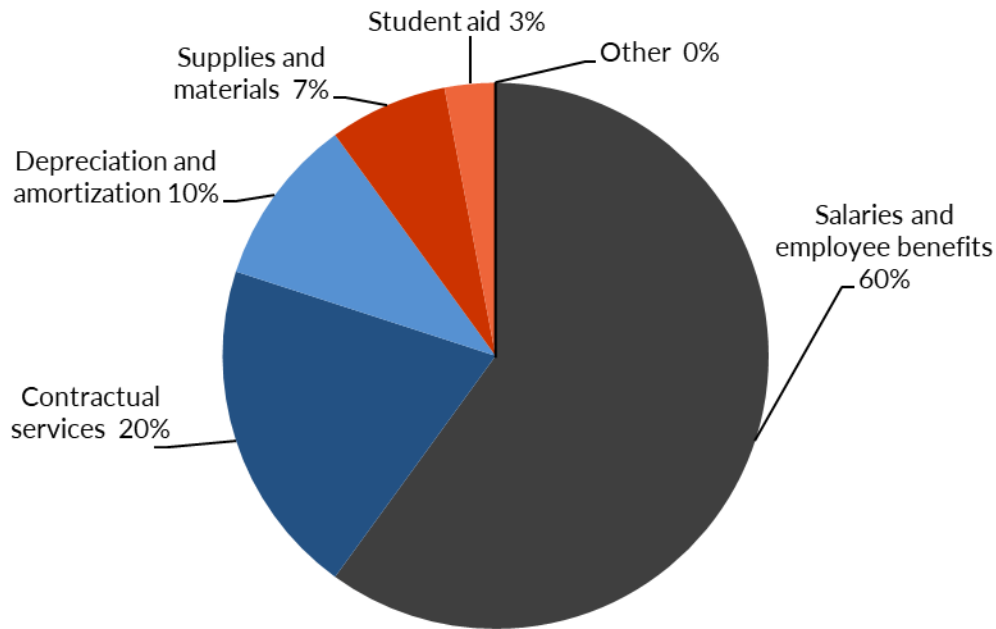
Fiscal Year 2025 Functional Classification



	Operating Expenses*					
	Natural Classification (\$ in millions)					
	FY 2025		FY 2024		FY 2023	
Compensation and benefits	\$	605.8 60.0%	\$	532.8 57.1%	\$	436.2 53.9%
Contractual services		203.7 20.2%		206.8 22.1%		186.3 23.0%
Materials		64.6 6.4%		60.0 6.4%		59.0 7.3%
Student aid		34.1 3.4%		28.5 3.1%		23.0 2.8%
Depreciation and amortization		102.6 10.1%		101.0 10.8%		100.6 12.5%
Other		(1.3) -0.1%		4.7 0.5%		3.5 0.5%
Total Operating Expenses	\$	1,009.5 100.0%	\$	933.8 100.0%	\$	808.6 100.0%

* Does not include On-Behalf payments made by State of Alaska for pension

Fiscal Year 2025 Natural Classification



Total operating expenses (excludes on-behalf payments to PERS and TRS made by State of Alaska) increased from \$933.8 million in 2024 to \$1,009.5 million in 2025. Expenditures related to the student and academic core mission, about 35.3 percent of all expenditures, showed a \$29.7 million or 9.1 percent increase in 2025. For the same period, expenditures for instruction increased \$8.1 million or 4.5 percent increase, expenditures for academic support increased \$10.6 million or 16.9 percent. Expenditures for public service and institutional support increased \$9 million and \$11.9 million respectively. The increase is primarily due to increase in compensation and staff benefit costs. Expenditures for research increased \$16.7 million and 8.2 percent, reflecting increase in federal awards.

In looking at the change in operating expenses from a natural classification view, the compensation and benefits increased \$73 million from \$532.8 million in FY 2024 to \$605.8 million in FY 2025 primarily due to increase in salary and the corresponding increase in staff benefits. Contractual services decreased \$3.1 million, or 1.5 percent, from \$206.8 million in FY 2024 to \$203.7 million in FY 2025. The overall increase in expenses is primarily due to increase in salary and benefits, including the cost of healthcare.

GASB Statement 68, GASB Statement 75, depreciation and amortization do not impact the cash flow and budget of the University, nor do they impact the nature and amount of pension benefits or pension funding provisions. Therefore, the following table shows operating expenditures with and without the effect of GASB Statement 68, GASB Statement 75, and depreciation and amortization (\$ in thousands).

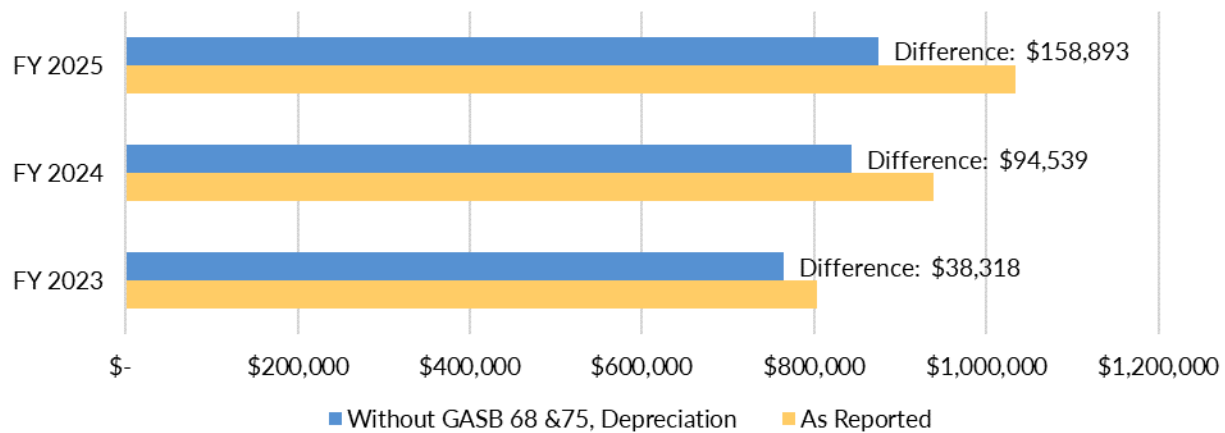
For the Year Ended June 30, 2025	Without GASB 68		
	As Reported	&75, Depreciation	Difference
Instruction	\$ 185,992	\$ 182,231	\$ 3,761
Academic support	73,230	68,481	4,749
Research	220,149	213,574	6,575
Public service	74,199	71,717	2,482
Student services	62,117	59,721	2,396
Operations and maintenance	86,255	82,814	3,441
Institutional support	131,340	122,677	8,663
Student aid	34,057	34,057	-
Auxiliary enterprises	39,581	39,006	575
Depreciation and amortization	102,594	-	102,594
State on-behalf payments - Pension and OPEB	23,658	-	23,658
Total Operating Expense	\$ 1,033,172	\$ 874,279	\$ 158,893

For the Year Ended June 30, 2024	Without GASB 68		
	As Reported	&75, Depreciation	Difference
Instruction	\$ 177,917	\$ 179,823	\$ (1,906)
Academic support	62,607	64,068	(1,461)
Research	203,476	205,587	(2,111)
Public service	65,200	66,094	(894)
Student services	56,627	57,512	(885)
Operations and maintenance	79,885	80,946	(1,061)
Institutional support	119,480	122,137	(2,657)
Student aid	28,454	28,454	-
Auxiliary enterprises	39,143	39,343	(200)
Depreciation and amortization	100,989	-	100,989
State on-behalf payments - Pension and OPEB	4,725	-	4,725
Total Operating Expense	\$ 938,503	\$ 843,964	\$ 94,539

For the Year Ended June 30, 2023	Without GASB 68		
	As Reported	&75, Depreciation	Difference
Instruction	\$ 161,541	\$ 169,436	\$ (7,895)
Academic support	50,729	58,083	(7,354)
Research	170,316	180,957	(10,641)
Public service	54,230	58,659	(4,429)
Student services	49,116	53,632	(4,516)
Operations and maintenance	72,924	78,580	(5,656)
Institutional support	92,609	107,850	(15,241)
Student aid	23,007	23,007	-
Auxiliary enterprises	33,816	34,850	(1,034)
Depreciation and amortization	100,576	-	100,576
State on-behalf payments - Pension and OPEB	(5,492)	-	(5,492)
Total Operating Expense	\$ 803,372	\$ 765,054	\$ 38,318

Total Operating Expenses

\$ in thousands



Without depreciation and amortization and the adjustment to compensation and benefits required under GASB Statement 68 and GASB Statement 75, total operating expenses would have increased \$30.3 million or 3.6 percent for FY 2025, and would have increased \$78.9 million or 10.3 percent for FY 2024.

A portion of University resources applied to student accounts for tuition, fees, or room and board are not reported as student aid expense, but are reported in the financial statements as a scholarship allowance, directly offsetting student tuition and fee revenue or auxiliary revenue. Scholarship allowances totaled \$24.8 million in 2025 and \$20.5 million in 2024. In addition to the allowances, students participate in governmental financial aid loan programs. The loans are neither recorded as revenue or expense in the financial statements, but are recorded in the Statements of Cash Flows as direct lending receipts totaling \$28.7 million and \$28.1 million in 2025 and 2024, respectively.

Fiscal Year 2024 Comparisons (Statement of Revenues, Expenses and Changes in Net Position)

Significant comments about changes between 2023 and 2024 that were noted in FY 2024 *Management's Discussion and Analysis* are summarized below:

The Statement of Revenues, Expenses and Changes in Net Position reflected an overall decrease in net position of 2.6 percent, or \$40.3 million.

Gross student tuition and fee revenue totaled \$126.2 million in 2024 as compared to 120 million in 2023. The increase was primarily due to increase in student enrollment, resulting from efforts and resources being directed toward improving enrollment during FY 2024.

State of Alaska general fund appropriations continued to be the single major source of revenue for the University, providing \$331.6 million in 2024, as compared to \$310.5 million in 2023.

Total operating expenses increased 15.5 percent in 2024 as compared to 5.2 percent increase in 2023. Expenditures related to the student and academic core mission, about 35 percent of all expenditures, showed a \$41.4 million or 14.6 percent increase in 2024. For the same period, expenditures for instruction increased \$16.4 million or 10 percent, expenditures for academic support increased \$12 million or 23.5 percent. The increase is primarily due to increase in compensation and staff benefits. Expenditures for research increased \$33.2 million and 19.5 percent, reflecting increase in federal awards. Expenditures for public service and institutional support increased \$11 million and \$26.9 million respectively.

Capital and Debt Activities

The University continued to improve facilities to meet program needs. Net capital assets decreased (excluding accumulated depreciation and amortization) \$44.7 million in 2025, as compared with a decrease of \$15.7 million in 2024 and decrease of \$37.8 million in 2023. Capital activity primarily comprise

replacement, renovation, code corrections and new construction of academic and research facilities, as well as investments in equipment and information technology.

Construction in progress at June 30, 2025 totaled \$81.7 million, an increase of \$9.5 million from June 30, 2024. The increase is due to several major construction activities during FY 2025. More information about the debt is in Note 8 of the *Notes to Financial Statements*.

Debt and Leases

At June 30, 2025, total debt outstanding, including financed purchase, totaled \$250.9 million. The University traditionally issues general revenue bond tax-exempt debt, and secures the repayment via a master trust indenture with a broad pledge of university receipts.

In July 2025, the University issued General Obligation Bond 2025 Series Three with a par amount of \$100,845,000, and a 15-year term, through Alaska Municipal Bond Bank. Average annual debt service is \$9.4 million. The bonds refunded portion of the General Revenue Bonds 2013 Series S, 2015 Series U, 2015 Series T, and 2012 Community Properties Alaska Lease Revenue Bonds. The refunding resulted in an economic gain of \$8.3 million in present value and a total debt service savings of \$10.9 million.

In previous years, other bonds were issued to finance construction of student residences at three campuses, the West Ridge Research Building, student recreation centers, a research facility to house the International Arctic Research Center, the acquisition and renovation of several properties adjacent to or near the University's campuses, additions to the University's self-operated power, heat, water and telephone utility systems in Fairbanks, purchase of the University Center Building in Anchorage, deferred maintenance projects, and to refund previously issued general revenue bonds and other contractual obligations in order to realize debt service savings.

Moody's Investors Service upgraded the University of Alaska's lease revenue bonds to Baa1 from Baa2, and upgraded the general revenue bonds rating from Baa1 to A3, and changed the outlook from positive to stable in November 2023. Standard and Poor's affirmed the A+ rating on the general revenue bonds and the A rating on the lease revenue bonds, also affirmed the outlook as stable in February 2024.

The University has traditionally utilized tax-exempt financings to provide for its capital needs or to facilitate systematic renewals. Working capital is available to provide interim cash flow financing for facilities intended to be funded with general revenue bond proceeds or other debt arrangements.

Capital Activities – Looking Ahead and Subsequent to Year End

For FY 2025, the University received \$14.8 million appropriation from the State of Alaska for deferred maintenance and improvements.

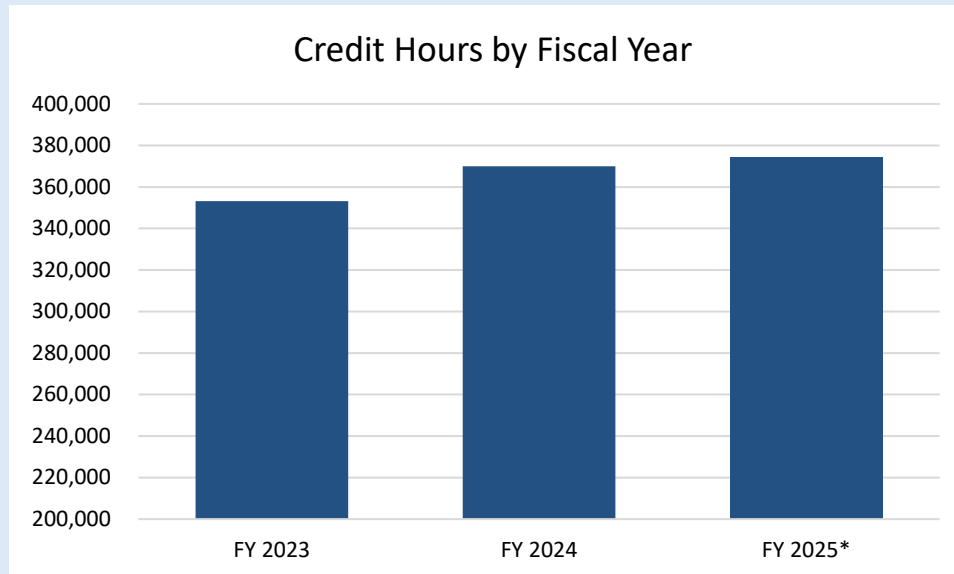
For FY 2026, the State of Alaska has approved a total of \$10 million appropriation for capital projects, including \$6.75 million for deferred maintenance and improvements, \$2 million for University of Alaska Mariculture Expansion Program, and \$1.3 million for University of Alaska Anchorage's Alaska Leaders Archives Consortium Library Renovation.

Financial Highlights and Economic Outlook

The University of Alaska (UA) system has successfully navigated its post-FY 2022 recovery, demonstrating a strong turnaround in student demand and institutional financial stability, which inform UA's economic outlook for FY 2026.

Enrollment Growth

The UA system has established a clear growth trajectory, reversing the multi-year enrollment declines that ended in FY 2022. Following that low point, the system saw a steady recovery in student engagement, with total Student Credit Hours (SCH) attempted climbing by over six percent since the recent trough of FY 2023, reaching 374,418 SCH in FY 2025.



**Note: FY 2025 was the first full fiscal year UAA reclassified select for-credit courses to non-credit status and transitioned these out of Banner to a separate information system, Blackboard Genius. Impacted courses included all 500-level, for-credit Professional and Continuing Education (PACE) courses as well as the Industrial Technology - Hazwoper 24 Hour course delivered by Prince William Sound College. This change in reporting led to a reported decrease in headcount and FTE when compared to prior years.*

The most recent registration data for FY 2026 confirms the continuation of robust growth. Preliminary figures for the Fall 2025 semester show a strong year-over-year increase of 4.4 percent in headcount and a 6.2 percent increase in SCH. This powerful momentum is fueled by a 20 percent increase in overall applications for the fall term and is being strategically managed by the new Students–First Action Agenda, a major FY 2025 priority designed to drive improved student success and retention. The key priorities of the Students–First Action Agenda focus on a systemwide strategy to boost student recruitment, improve retention rates, and accelerate graduation efforts.

In addition to the Board’s Student First Action, recent changes to merit aid programs demonstrate a commitment to access and affordability. Specifically, the Alaska Performance Scholarship (APS) maximum annual award was recently increased to \$7,000. A student is eligible to receive this annual award for four years, making the maximum total award \$28,000 over their undergraduate career. Furthermore, the UA Scholars Program maximum annual award was increased to \$15,000. Both award increases were approved in 2025 and provide significant financial incentives for in-state students to attend UA. The overall tuition strategy is targeted to yield an estimated \$148 million in gross unrestricted tuition and fee revenue for FY 2026.

This increased student demand is underpinned by a stable and increasing state partnership, with the State appropriation rising to \$342.2 million in FY 2025. This significant show of governmental support removes prior financial uncertainty and aligns state and university priorities. The State appropriation is expected to be \$351.5 million in FY 2026.

Research Enterprise

The research function remains a core competitive advantage and a significant financial component for the system. UA Fairbanks (UAF) serves as the primary research hub, capitalizing on the University’s unique sub-arctic location to secure specialized federal and grant opportunities critical to global Arctic science and climate research.

The research enterprise has demonstrated impressive financial growth, with direct research expenditures increasing by a remarkable 67 percent over the five years leading up to FY 2024. An FY 2025 highlight is

the anticipation of an Expanding Research Enterprise focused on increasing revenue from indirect cost recovery. This strategy is built upon the strong foundation of \$215.0 million in operating grant and contract revenue recorded in FY 2024, signifying the University's ability to turn grant activity into sustainable operational funding. However, UA is also preparing for additional uncertainty at the federal level, including potential fluctuations in funding for research activities and possible changes to indirect cost recovery rates, which could impact the university's current planning efforts.

Financial Transparency and Expense Management

The University of Alaska system is committed to robust fiscal oversight and increasing transparency. To address these financial dynamics, the University is actively implementing several management strategies. Expense management is a priority, with efforts focused on controlling costs in categories such as personnel, travel, services, and commodities. Preserving unrestricted fund balance is a focus of leadership, and measures are being taken to maintain reserves for recovery efforts in specific units. Furthermore, recovery plans are also in place for select auxiliary and recharge service centers, with the goal of achieving break-even operations and full deficit recovery within defined timeframes.

The University maintains a prudent fiscal posture, evidenced by its moderate leverage, with debt service representing less than 3 percent of operating expenses. Moreover, the university has no immediate plans to add debt and will continue to look for refunding opportunities to reduce debt as market rates are favorable and call options are available. This strategy ensures that the university maintains financial stability and minimizes the risk associated with debt obligations. This commitment to strong fiscal oversight ensures resources are strategically deployed to support core mission priorities, such as the renewed focus on student success.



INDEPENDENT AUDITORS' REPORT

Board of Regents
University of Alaska
Fairbanks, Alaska

Report on the Audit of the Financial Statements

Opinions

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

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

We did not audit the financial statements of University of Alaska Foundation Consolidated Endowment Fund, LP, a component of the University of Alaska Foundation, which statements reflect total assets, net assets, and revenues constituting 88 percent, 100 percent, and 9 percent, respectively, of the 2025 assets, net position, and revenues of the Foundation, and 88 percent, 100 percent, and 8 percent of assets, net assets, and revenues of the 2024 assets, net assets, and revenues of the discretely presented component unit for the years then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the University of Alaska Foundation Consolidated Endowment Fund, LP, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of University of Alaska and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the University of Alaska Foundation was not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of University of Alaska's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about University of Alaska's ability to continue as a going concern for a reasonable period of time.

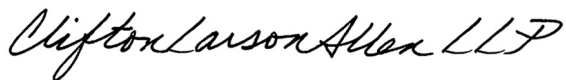
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025, on our consideration of University of Alaska'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 University of Alaska'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 University of Alaska's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

St. Louis, Missouri
October 24, 2025

STATEMENTS OF NET POSITION

June 30, 2025 and 2024

In Thousands

Assets	2025	2024
Current assets:		
Cash and cash equivalents	\$ 12,935	\$ 3,518
Short-term investments	2,995	760
Accounts receivable, net	113,065	107,156
Lease receivable	3,336	3,467
Inventories	4,394	4,497
Other assets	1,097	1,140
Total current assets	<u>137,822</u>	<u>120,538</u>
Noncurrent assets:		
Restricted cash and cash equivalents	111,492	39,040
Notes receivable	138	170
Bond funds held with trustee	5	6
Lease receivable	14,919	18,244
Endowment investments	197,545	186,593
Land Grant Trust property and other endowment assets	73,114	63,426
Long-term investments	88,717	106,504
Education Trust of Alaska investments	48,442	46,436
Net other post employment benefit asset	120,716	114,852
Capital assets, net	1,434,636	1,479,298
Total noncurrent assets	<u>2,089,724</u>	<u>2,054,569</u>
Total assets	<u>2,227,546</u>	<u>2,175,107</u>
Deferred Outflows of Resources	26,748	32,371
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	31,920	45,278
Accrued payroll and annual leave	33,676	28,209
Unearned revenue and deposits	170,294	88,529
Long-term debt - current portion	13,959	13,452
Leases and subscription liability - current portion	4,345	3,172
Insurance and risk management	15,220	14,753
Total current liabilities	<u>269,414</u>	<u>193,393</u>
Noncurrent liabilities:		
Long-term debt	236,978	252,406
Lease and subscription liability	6,376	6,296
Net pension liability	272,363	238,092
Other noncurrent liabilities	765	913
Total noncurrent liabilities	<u>516,482</u>	<u>497,707</u>
Total liabilities	<u>785,896</u>	<u>691,100</u>
Deferred Inflows of Resources	21,695	25,809
Net Position		
Net investment in capital assets	1,175,184	1,205,546
Restricted:		
Expendable	248,663	243,531
Nonexpendable	137,674	137,513
Unrestricted	(114,818)	(96,021)
Total net position	<u>\$ 1,446,703</u>	<u>\$ 1,490,569</u>

STATEMENTS OF FINANCIAL POSITION

June 30, 2025 and 2024

In Thousands

Assets	2025	2024
Cash and cash equivalents	\$ 4,832	\$ 4,511
Interest and dividends receivable	625	728
Contributions receivable, net	9,399	6,605
Other receivables	3,941	735
Other investments	54,449	57,082
Pooled endowment funds	534,137	500,467
Remainder trusts receivable	724	679
Bequests receivable	500	119
Other assets	930	294
Total assets	\$ 609,537	\$ 571,220
Liabilities		
Due to University of Alaska	\$ 1,130	\$ 1,174
Other liabilities	1,596	1,554
Split interest obligations	229	300
Term endowment liability	1,000	1,000
Assets held in trust for University of Alaska	193,972	182,811
Total liabilities	197,927	186,839
Net Assets		
Without Donor Restrictions	29,715	29,371
With Donor Restrictions	381,895	355,010
Total net assets	411,610	384,381
Total liabilities and net assets	\$ 609,537	\$ 571,220

University of Alaska

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET BALANCE

June 30, 2025 and 2024

In Thousands

	2025	2024
Operating revenues		
Student tuition and fees	\$ 135,868	\$ 126,189
less scholarship allowances	(24,764)	(20,468)
	<u>111,104</u>	<u>105,721</u>
Federal grants and contracts	239,302	214,972
State and local grants and contracts	35,681	32,372
Private grants and contracts	88,804	73,086
Sales and services, educational departments	4,866	5,185
Auxiliary enterprises, net of scholarship allowances of \$4,051 in 2025 and \$3,028 in 2024	33,603	27,198
Other	23,991	19,107
Total operating revenues	<u>537,351</u>	<u>477,641</u>
Operating expenses		
Instruction	185,992	177,917
Academic support	73,230	62,607
Research	220,149	203,476
Public service	74,199	65,200
Student services	62,117	56,627
Operations and maintenance	86,255	79,885
Institutional support	131,340	119,480
Student aid	34,057	28,454
Auxiliary enterprises	39,581	39,143
Depreciation and amortization	102,594	100,989
State on-behalf payments - pension and OPEB	23,658	4,725
Total operating expenses	<u>1,033,172</u>	<u>938,503</u>
Operating loss	<u>(495,821)</u>	<u>(460,862)</u>
Nonoperating revenues (expenses)		
State appropriations	350,185	331,638
State on-behalf contributions - pension and OPEB	23,658	4,725
Investment earnings (loss)	17,695	20,458
Endowment proceeds and investment income (loss)	20,234	19,442
Federal student financial aid	24,143	17,824
Interest expense	(10,243)	(10,439)
Other nonoperating revenue (expenses)	908	2,252
Net nonoperating revenues	<u>426,580</u>	<u>385,900</u>
Income (loss) before other revenues	<u>(69,241)</u>	<u>(74,962)</u>
Capital appropriations, grants and contracts	25,375	34,614
Increase (decrease) in net position	<u>(43,866)</u>	<u>(40,348)</u>
Net Position		
Net position - beginning of year	1,490,569	1,530,917
Net position - end of year	<u>\$ 1,446,703</u>	<u>\$ 1,490,569</u>

STATEMENTS OF ACTIVITIES

June 30, 2025 and 2024

In Thousands

	2025			2024		
	Without Donor	With Donor	Total	Without Donor	With Donor	Total
	Restrictions	Restrictions		Restrictions	Restrictions	
Revenues, gains and other support						
Contributions, Net	\$ 13	\$ 21,021	\$ 21,034	\$ 14	\$ 18,280	\$ 18,294
Contributed Nonfinancial Assets	90	821	911	84	1,371	1,455
Investment income	886	2,970	3,856	825	2,934	3,759
Net realized and unrealized investment gains	3,481	29,736	33,217	3,228	25,469	28,697
Other revenues	-	140	140	(51)	128	77
Actuarial adjustment of remainder trust obligations	-	118	118	-	426	426
Administrative assessments	3,350	(2,995)	355	3,630	(2,799)	831
Support from University of Alaska	960		960	460	-	460
Net assets released from restriction	24,926	(24,926)	-	30,811	(30,811)	-
Total revenues, gains and other support	33,706	26,885	60,591	39,001	14,998	53,999
Expenses and distributions						
Program Expenses	26,572	-	26,572	31,652	-	31,652
Management and General	1,610	-	1,610	1,740	-	1,740
Fundraising	5,180	-	5,180	4,335	-	4,335
Total expenses and distributions	33,362	-	33,362	37,727	-	37,727
Increase (decrease) in net assets	344	26,885	27,229	1,274	14,998	16,272
Net assets, beginning of year	29,371	355,010	384,381	28,097	340,012	368,109
Net assets, end of year	\$ 29,715	\$ 381,895	\$ 411,610	\$ 29,371	\$ 355,010	\$ 384,381

STATEMENTS OF CASH FLOWS

June 30, 2025 and 2024

In Thousands

	2025	2024
Cash flows from operating activities		
Student tuition and fees, net	\$ 110,326	\$ 103,146
Grants and contracts	447,945	351,783
Sales and services, educational departments	4,866	5,185
Sales and services, auxiliary enterprises	31,768	28,969
Other operating receipts	23,993	19,107
Payments to employees for salaries and benefits	(567,933)	(552,974)
Payments to suppliers	(277,781)	(255,605)
Payments to students for financial aid	(37,414)	(27,024)
Direct lending receipts	28,706	28,133
Direct lending payments	(25,541)	(29,582)
Net cash used for operating activities	(261,065)	(328,862)
Cash flows from noncapital financing activities		
State appropriations	349,623	331,669
Other revenue	23,265	15,615
Net cash provided by noncapital financing activities	372,888	347,284
Cash flows from capital and related financing activities		
Capital appropriations, grants and contracts	20,620	32,680
Proceeds from issuance of capital debt	-	-
Purchases of capital assets	(53,478)	(79,068)
Principal paid on capital debt	(19,616)	(17,777)
Principal received on leases	3,466	3,365
Interest paid on capital debt	(10,591)	(11,061)
Net cash used for capital and related financing activities	(59,599)	(71,861)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	33,236	82,593
Purchases of investments	(14,985)	(52,171)
Interest received on investments	8,744	10,034
Interest and other sales receipts from endowment assets	2,650	3,858
Net cash provided by investing activities	29,645	44,314
Net decrease in cash and cash equivalents	81,869	(9,125)
Cash and cash equivalents, beginning of the year	42,558	51,683
Cash and cash equivalents, end of the year	<u>\$ 124,427</u>	<u>\$ 42,558</u>
 Cash and cash equivalents (current)	 \$ 12,935	 \$ 3,518
Restricted cash and cash equivalents (noncurrent)	111,492	39,040
Total cash and cash equivalents	<u>\$ 124,427</u>	<u>\$ 42,558</u>

STATEMENTS OF CASH FLOWS

June 30, 2025 and 2024

In Thousands

Reconciliation of operating loss to net cash used for

operating activities:	2025	2024
Operating loss	\$ (495,821)	\$ (460,862)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization expense	102,593	100,989
State on-behalf payments - pension & OPEB	23,658	4,725
Pension expense (credit)	38,630	6,374
OPEB expense (credit)	(5,989)	(17,548)
Changes in assets and liabilities that provided (used) cash:		
Accounts receivable, net	(2,052)	2,385
Other assets	43	208
Inventories	103	529
Accounts payable and accrued expenses	(12,784)	16,231
Accrued payroll	3,851	(8,183)
Unearned revenue, deposits from students and others	84,619	26,266
Accrued annual leave	1,617	741
Insurance and risk management	467	(717)
Net cash used for operating activities	<u>\$ (261,065)</u>	<u>\$ (328,862)</u>

Schedule of Noncash Investing, Noncapital Financing, Capital and Related Financing Activities:
For the Year Ended June 30, 2025

Decrease in accounts payable for capital assets is \$0.5 million.

For the Year Ended June 30, 2024

Increase in accounts payable for capital assets is \$3.8 million.

NOTES TO FINANCIAL STATEMENTS

1. Organization and Summary of Significant Accounting Policies

Organization:

The University of Alaska (University) is a constitutionally created corporation of the State of Alaska which is authorized to hold title to real and personal property and to issue debt in its own name. The University is the only public institution of higher learning in Alaska. It is a statewide system that consists of three universities located in Anchorage, Fairbanks, and Juneau, with each having extended satellite colleges and sites throughout Alaska. The University is governed by an eleven-member Board of Regents, which is appointed by the governor.

The University is a component unit of the State of Alaska for purposes of financial reporting. As an instrumentality of the State of Alaska, the University is exempt from federal income tax under Internal Revenue Code Section 115, except for unrelated business activities as covered under Internal Revenue Code Sections 511 to 514. The University of Alaska Foundation (Foundation) is a legally separate, nonprofit component unit of the University. The Foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the University. Resources managed by the Foundation and distributions made to the University are governed by the Foundation's Board of Directors. Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and Statement No. 61, *The Financial Reporting Entity: Omnibus*, an amendment of GASB Statement No. 14 and No. 34, require the University to include the Foundation as part of its financial statements to better report resources benefiting the University. The Foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented in their original audited format according to Financial Accounting Standards Board (FASB) pronouncements.

The Nanook Innovation Corporation (NIC) and Seawolf Holdings, LLC were established in fiscal year 2013 for the purpose of supporting the University of Alaska through commercialization of University generated intellectual properties. The Nanook Innovation Corporation operates as a non-profit organization under Internal Revenue Code 501(c) (3). The Board of Directors of NIC are appointed by the University. Seawolf Holdings, LLC is a limited liability company with the University being the sole member of the LLC. The Nanook Innovation Corporation and Seawolf Holdings, LLC are considered component units of the University according to GASB Statements No. 39 and No. 61. These entities had no significant activity in fiscal years 2025 and 2024.

Basis of Presentation:

The University's financial statements are presented in accordance with U.S. generally accepted accounting principles as prescribed in applicable pronouncements of the Governmental Accounting Standards Board. The Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows report the financial activities of the University of Alaska.

Deferred outflows of resources represent the consumption of net assets by the University in one period that is applicable to future periods.

Deferred inflows of resources represent the acquisition of net assets in one period that is applicable to future periods.

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources and is required to be classified for accounting and reporting purposes into the following categories:

- *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 may be designated for specific purposes by the Board of Regents or may otherwise be limited by contractual agreements with outside parties.

- *Restricted net position:*

Expendable net position is subject to externally-imposed restrictions that may or will be met by actions of the University and/or that expire with the passage of time.

Non-expendable net position is subject to externally-imposed restrictions requiring that they be maintained permanently by the University.

- *Net investment in capital assets* – Capital assets, net of accumulated depreciation and amortization, reduced by outstanding balances of debt attributable to the acquisition, construction or improvement of those assets.

When both restricted and unrestricted funds are available for the same purpose, the University's policy is to use the restricted funds first, unless it is not advisable based on all the facts and circumstances.

In preparing the financial statements, management is required to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the statement of net position. Actual results could differ from those estimates. The more significant accounting and reporting policies and estimates applied in the preparation of the accompanying financial statements are discussed below.

Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared on the economic resources measurement focus and the accrual basis of accounting. All significant intra-university transactions have been eliminated. The University reports as a business type activity, as defined by GASB Statement No. 35. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

Cash and Cash Equivalents

All highly liquid investments, not held for long-term investment, with original maturities of three months or less are reported as cash and cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market. Inventories consist of parts, fuel, books, shop stock, etc.

Investments

Investments are stated at fair value. Investments in fixed income and equity marketable securities are stated at fair value based on quoted market prices. Investments in private partnership interests are valued using the most current information provided by the general partner. Valuations provided by the general partners and investment managers are evaluated by management and management believes such values are reasonable at June 30, 2025 and 2024. When, in the opinion of management, there has been a permanent impairment in the asset value, the asset is written down to its fair value. Income from other investments is recognized when received.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position. Investments also include securities with contractual cash flows such as asset-backed securities, collateralized mortgage obligations and commercial mortgage-backed securities. The value, liquidity and related income of these securities are sensitive to economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. Long-term investments include those restricted by outside parties as to withdrawal or use for other than current operations, or are

designated for expenditure in the acquisition or construction of noncurrent assets or held with an intent not to be used for operations within the next fiscal year.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Capital Assets

Capital assets are stated at cost when purchased and at acquisition value when donated. Equipment with a unit value of \$5,000 or greater are capitalized. Buildings and infrastructure with a unit value of \$100,000 or greater are capitalized. Other capital assets with a unit value of \$50,000 or greater are capitalized. Certain land and other resources acquired through land grants and donated museum collections for which fair value at date of acquisition was not determinable are reported at zero basis in the financial statements.

Depreciation is computed on a straight-line basis with useful lives ranging from 12 to 50 years for building and building components, 10 to 35 years for infrastructure and other improvements, 5 to 40 years for equipment and 20 years for library books. Rare books and museum collections are not depreciated because they are preserved and cared for and have an extraordinarily long useful life.

Endowments

The University's endowments consist of the Land Grant Endowment Trust Fund (LGETF) established pursuant to the 1929 federal land grant legislation, its related Inflation Proofing Fund (IPF) and several smaller "other" endowments. Alaska Statute 14.40.400 provides that the net income from the sale or use of grant lands must be held in trust in perpetuity.

Alaska Statute 14.40.400 provides the Board of Regents with authority to manage the LGETF under the total return principles which intends to preserve and maintain the purchasing power of the endowment principal. The investable resources of the LGETF and IPF are invested in the Consolidated Endowment Fund, a unitized investment fund. The annual spending allowance is currently based on 4.5 percent of a five-year moving average of the invested balance. Withdrawals of net earnings appreciation to meet the spending allowance are limited to the unexpended accumulated net earnings balance of the preceding December 31.

Operating Activities

The University's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations and investment earnings.

Non-operating Revenues

Non-operating revenues and expenses include revenues and expenses from activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue and expense sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state appropriations and investment income.

Scholarship Allowances

Student tuition and fee revenues and certain other revenues from students are reported net of scholarship allowances in the statement of revenues, expenses and changes in net position. Scholarship allowances are the difference between the stated charge for tuition and room and board provided by the University and the amount paid by the student and/or third parties making payments on the students' behalf.

Lapse of State Appropriations

Alaska Statutes provide that unexpended balances of one-year appropriations will lapse on June 30 of the fiscal year of the appropriation; however, the University receipts in excess of expenditures may be expended by the University in the next fiscal year. University receipts include student tuition and fees, donations, sales, rentals, facilities and administrative cost recovery, investment earnings, auxiliary and restricted revenues. The unexpended balances of capital appropriations generally lapse after five years or upon determination that the funds are no longer necessary for the project.

Compensated Absences

The University accrues employee vacation leave and related salary costs, including defined contribution pension and Medicare that are directly attributable to the leave at year-end. Compensated absence costs are included in benefits expense in the statement of revenue, expenses, and changes in net position.

Sick leave was assessed in accordance with GASB Statement No. 101, *Compensated Absences*, in fiscal year 2025. The University's policy allows sick leave to be earned each pay period and carried forward without limitation; unused leave is not payable upon termination.

Pensions

For purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plans of the Public Employees Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/deductions from these pension plans' fiduciary net position have been determined on the same basis they are reported by PERS and TRS defined benefit plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

For purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the defined benefit plans of the Public Employees Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/deductions from these OPEB plans' fiduciary net position have been determined on the same basis they are reported by PERS and TRS defined benefit plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenue

Unearned revenue consists of tuition, fees and certain auxiliary funds received prior to the end of the fiscal year but related to the subsequent accounting period. It also consists of funds received from grants, sponsors and State capital appropriations which have not yet been earned. State capital appropriations are subject to five-year lapse provisions per State Statute. The period may be extended.

The University of Alaska Anchorage Small Business Development Center (SBDC) received funds from the U.S. Department of Treasury to administer the State Small Business Credit Initiative (AK SSBCI) program on behalf of the State of Alaska. They are reported in Restricted cash and cash equivalents and Unearned Revenue in Statements of Net Position.

Use of Estimates

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 the reported amounts of assets, liabilities, net position and disclosures regarding contingent assets and liabilities. Actual results could differ from those estimates.

Correction of an Error

In the fiscal year 2024 financial statements, Note 12 contained an error in the net value of plan assets for the University's Optional Retirement Plan – Defined Contribution (ORP) and Pension Plan (Pension). The ORP and Pension assets were reported as \$489.1 million and \$551.8 million, respectively, for the year ended June 30, 2024. The correct values should have been \$508.1 million and \$556.9 million. This error had no impact on the financial statements or the University's net position and has been corrected in the current year's disclosure.

GASB Statement No. 101 Compensated Absences

In June 2022, the GASB issued GASB Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. As a result of this implementation, the University amended the recognition and measurement guidance for compensated absences to satisfy the criteria set forth above.

GASB Statement No. 102 Certain Risk Disclosures

In December 2023, the GASB issued GASB Statement No. 102, *Certain Risk Disclosures*. This Statement defines a concentration and a constraint, requires the disclosure of a concentration or constraint if it is (1) known prior to the issuance of the financial statements, (2) the concentration or constraint makes the reporting unit vulnerable to a risk of a substantial impact and (3) an event or events associated with the concentration or constraint that could cause a substantial impact has occur, or more likely than not to occur within 12 months of the date the financial statements are issued. The University implemented GASB No. 102 in fiscal year 2025.

Newly Issued Accounting Standards

In April 2024, the GASB issued GASB Statement No. 103, *Financial Reporting Model Improvements*. This Statement improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The improvements include the changes to Management's Discussion and Analysis; presentation of major discretely presented component units; reporting extraordinary and special items as unusual or infrequent items; changes to the proprietary statement of revenues; expenses and changes in fund net position; definitions of operating and non-operating revenues and expenses; and the presentation of budgetary comparison information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025 (fiscal year 2026), and all reporting periods thereafter.

In September 2024, the GASB issued GASB Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately. Lease assets recognized in accordance with Statement No. 87, Leases, intangible right-to-use assets recognized in accordance with Statement No. 94 Public-Private and Public-Public Partnerships and Availability Payment Arrangements, and Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements. This Statements also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025 (fiscal year 2026), and all reporting periods thereafter.

The University is currently evaluating the impact the adoption of these GASB Statements will have on its financial statements.

2. Deposits and Investments

Deposits and investments at June 30, 2025 were as follows (\$ in thousands):

Investment Type	Operating	Capital Fund	Endowment	Education Trust of Alaska	Total
Cash and Deposits	\$ 72,134	\$ -	\$ 1,166	\$ -	\$ 73,300
Money Market Mutual Funds	62,794	5	7,393	161	70,353
Equities:					
Domestic Funds	-	-	29,445	18,701	48,146
Global Funds	-	-	-	3	3
Exchange Traded Funds	-	-	4,427	-	4,427
Debt-related:					
Corporate	44,038	-	-	-	44,038
Corporate - International	13,340	-	-	-	13,340
Federal Agency	5,250	-	-	-	5,250
U.S. Treasuries	16,328	-	-	-	16,328
U.S. Treasuries Fund	-	-	-	1,956	1,956
International Government	2,255	-	-	-	2,255
Fixed Income Funds	-	-	-	27,621	27,621
Alternative Investments:					
Private Equity Fund	-	-	46,757	-	46,757
Global Private Equity Fund	-	-	3,981	-	3,981
Hedge Funds	-	-	104,291	-	104,291
Future Contracts	-	-	85	-	85
	\$ 216,139	\$ 5	\$ 197,545	\$ 48,442	\$ 462,131

Deposits and investments at June 30, 2024 were as follows (\$ in thousands):

Investment Type	Education Trust				
	Operating	Capital Fund	Endowment	of Alaska	Total
Cash and Deposits	\$ 37,153	\$ -	\$ 688	\$ -	\$ 37,841
Money Market Mutual Funds	13,752	6	8,995	152	22,905
Equities:					
Domestic	-	-	5,331	-	5,331
Domestic Funds	-	-	34,717	17,983	52,700
Global Funds	-	-	-	583	583
Exchange Traded Funds	-	-	5,487	-	5,487
Debt-related:					
Corporate	48,871	-	-	-	48,871
Corporate - International	16,559	-	-	-	16,559
Federal Agency	11,286	-	-	-	11,286
U.S. Treasuries	19,557	-	-	-	19,557
U.S. Treasuries Fund	-	-	-	1,800	1,800
International Government	2,645	-	-	-	2,645
Fixed Income Funds	-	-	-	25,917	25,917
Depository Receipts	-	-	433	-	433
Alternative Investments:					
Private Equity Fund	-	-	47,401	-	47,401
Global Private Equity Fund	-	-	3,034	-	3,034
Hedge Funds	-	-	80,509	-	80,509
Future Contracts	-	-	(2)	-	(2)
	\$ 149,823	\$ 6	\$ 186,593	\$ 46,435	\$ 382,857

Operating funds consist of cash on hand (including overnight repurchase agreements), time deposits, money market funds and bonds. Alaska Statutes and Board of Regents' policy provide the University with broad authority to invest funds. Generally, operating funds are invested according to the University's liquidity needs. The University has operating fund investment guidelines, which set forth the objectives, structure and acceptable investments for the University's operating funds.

The University's operating funds include investments in high quality bonds, including U.S. treasuries, federal agency bonds, international government bonds, and corporate bonds. These investments are held under the name of the University. Bonds comprise the largest portion of operating funds. The University has a \$7.5 million compensating balance with its checking and depository financial institution.

Endowment investments totaling \$197.5 million and \$186.6 million in 2025 and 2024, respectively, primarily consisted of \$194.0 million and \$182.8 million in investable resources of the University's Land Grant Endowment Trust Fund at June 30, 2025 and 2024, respectively, and are invested in a Consolidated Endowment Fund managed by the Foundation. These resources are combined with the Foundation's pooled endowment funds for investment purposes, and managed by the University of Alaska Foundation Consolidated Endowment Fund in accordance with an investment policy approved by the Board of Regents. A copy of the Consolidated Endowment Fund's investment policy and guidelines may be obtained by contacting the University Controller's Office.

Education Trust of Alaska investments include the operating funds and retained earnings of the college savings program, established pursuant to state statute by the Board of Regents and Internal Revenue Code Section 529. Program investments are in mutual funds, equities and debt-related investments managed by T. Rowe Price Associates, Inc., the program manager. See Note 4 for further information.

Certain funds held in trust for the benefit of the University are not included in the financial statements as the University has only limited control over their administration. These funds are in the custody of independent fiduciaries and at June 30, 2025 and 2024 had an estimated fair value of \$3.1 million and \$2.9 million, respectively.

At June 30, 2025, the University has \$262.4 million in investments that are not actively traded, compared to \$266.0 million at June 30, 2024. These investment instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependency upon key individuals, and nondisclosure of portfolio composition. Because these investments are not actively traded, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investment existed. Such difference could be material.

Fair Value

The University measures and records its investments using fair value measurement requirements established by the Statement. The University categorized the inputs to valuation techniques used to measure fair value into the following three levels.

Level 1 - Quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date.

Level 2 - Quoted prices that are observable for an asset or liability, either directly or indirectly.

Level 3 - Pricing inputs are unobservable for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, a financial instrument's level within the fair value hierarchy is based on the lowest level.

At June 30, 2025, the University has the following recurring fair value measurements (\$ in thousands):

	Total	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Money market mutual funds	\$ 59,965	\$ 59,965	\$ -	\$ -
Debt-related:				
U.S. Treasuries	16,328	16,328	-	-
U.S. Treasuries fund	1,956	1,956	-	-
Fixed income mutual funds	27,621	27,621	-	-
Corporate	44,038	-	44,038	-
International corporate	13,340	-	13,340	-
Federal agency	5,250	-	5,250	-
International government	2,255	-	2,255	-
Endowment Fund	41,349	3,573	37,776	-
Equity:				
Domestic mutual funds	18,701	18,701	-	-
Global Funds	3	3	-	-
Total investments by fair value	\$ 230,806	\$ 128,147	\$ 102,659	\$ -

At June 30, 2024, the University has the following recurring fair value measurements (\$ in thousands):

	Total	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Money market mutual funds	\$ 13,910	\$ 13,910	\$ -	\$ -
Debt-related:				
U.S. Treasuries	19,557	19,557	-	-
U.S. Treasuries fund	1,800	1,800	-	-
Fixed income mutual funds	25,917	25,917	-	-
Corporate	48,871	-	48,871	-
International corporate	16,559	-	16,559	-
Federal agency	11,286	-	11,286	-
International government	2,645	-	2,645	-
Endowment Fund	54,960	3,781	51,179	-
Equity:				
Domestic mutual funds	17,983	17,983	-	-
Global Funds	583	583	-	-
Total investments by fair value	\$ 214,071	\$ 83,531	\$ 130,540	\$ -

Money market mutual funds, U.S. treasuries, fixed income and domestic mutual funds are valued using quoted prices for identical securities in the active markets. Debt securities are valued using quoted prices for similar securities in active markets. Endowment funds of \$197.5 million are investments in the Consolidated Endowment Fund which consisted of various type of investments that are valued using level 1, level 2 inputs and net assets value measurement in the separate University of Alaska Foundation financial statements. Of the total Consolidated Endowment, \$37.8 million has a level 2 measurement input, and \$155.0 million are measured at net asset value and 1.2 million are cash.

Disclosures for deposits and investments are presented according to GASB Statement No. 40, *Deposit and Investment Risk Disclosures*. Accordingly, the following information addresses various risk categories for University deposits and investments and the investment policies for managing that risk.

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The operating fund investment guidelines require that at the time of purchase, short term instruments must be rated A2 or better by Standard & Poor's (S & P), and P2 or better by Moody's. Long term instruments must be rated BBB- or better by S & P and Baa3 or better by Moody's. The average credit rating of any separately managed account portfolio shall be no lower than A by S & P and A2 by Moody's.

At June 30, 2025, investments consisted of securities with credit quality ratings issued by nationally recognized statistical rating organizations as follows (\$ in thousands):

Investment Type	Rating	Education Trust		
		Operating	Endowment	of Alaska
Money Market Mutual Funds	Aaa/AAA	\$ 59,870	\$ 3,573	\$ -
Money Market Mutual Funds	Not Rated	2,925	3,819	161
Debt-related:				
Corporate	Aa1/AA+	3,868	-	-
Corporate	Aa3/AA-	2,220	-	-
Corporate - International	Aa3/AA-	4,153	-	-
Corporate	A1/A+	8,995	-	-
Corporate - International	A1/A+	731	-	-
Corporate	A2/A	2,391	-	-
Corporate - International	A2/A	870	-	-
Corporate	A3/A-	9,323	-	-
Corporate - International	A3/A-	2,977	-	-
Corporate	Baa1/BBB+	8,580	-	-
Corporate - International	Baa1/BBB+	2,832	-	-
Corporate	Baa2/BBB	8,660	-	-
Corporate - International	Baa2/BBB	1,778	-	-
Corporate	Baa3/BBB-	-	-	-
Federal Agency	Aa1/AA+	5,250	-	-
U.S. Treasuries	Aa1/AA+	16,328	-	-
U.S. Treasuries fund	Not Rated	-	-	1,956
International Government	Aaa/AAA	494	-	-
International Government	A1/A+	1,760	-	-
Fixed income funds	Not Rated	-	-	27,621
Hedge Funds	Not Rated	-	104,292	-

At June 30, 2024, investments consisted of securities with credit quality ratings issued by nationally recognized statistical rating organizations as follows (\$ in thousands):

Investment Type	Rating	Operating	Endowment	Education Trust	
				of Alaska	
Money Market Mutual Funds	Aaa/AAA	\$ 11,957	\$ 3,781	\$	-
Money Market Mutual Funds	Not Rated	1,795	5,213		152
Debt-related:					
Corporate	Aa1/AA+	3,683	-		-
Corporate	Aa3/AA-	3,707	-		-
Corporate - International	Aa3/AA-	3,971	-		-
Corporate	A1/A+	5,983	-		-
Corporate - International	A1/A+	4,395	-		-
Corporate	A2/A	3,590	-		-
Corporate - International	A2/A	1,897	-		-
Corporate	A3/A-	12,744	-		-
Corporate - International	A3/A-	1,972	-		-
Corporate	Baa1/BBB+	9,294	-		-
Corporate - International	Baa1/BBB+	2,671	-		-
Corporate	Baa2/BBB	9,344	-		-
Corporate - International	Baa2/BBB	1,652	-		-
Corporate	Baa3/BBB-	525	-		-
Federal Agency	Aa1/AA+	11,286	-		-
U.S. Treasuries	Aa1/AA+	19,557	-		-
U.S. Treasuries fund	Not Rated	-	-		1,800
International Government	Aaa/AAA	982	-		-
International Government	A1/A+	1,663	-		-
Fixed income funds	Not Rated	-	-		25,917
Hedge Funds	Not Rated	-	80,509		-

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributed to the magnitude of the University's investment in a single issuer. GASB Statement No. 40 requires disclosure when the amount invested with a single issuer exceeds five percent of the University's total investments. At June 30, 2025 and 2024, the University did not have any material concentrations of credit risk.

The operating fund investment guidelines limits the aggregate fair value of the portfolio that may be invested in any combination of instruments from one issuer to four percent and callable bonds are limited to 15 percent of the total portfolio value, with exceptions for federally backed securities.

Custodial Credit Risk:

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the University will not be able to recover deposits or will not be able to recover collateral securities in the possession of an outside party. For investments, custodial credit risk is the risk that, in the event of failure of the counterparty to a transaction, the University will not be able to recover the value of investment or collateral securities in the possession of an outside party.

At June 30, 2025 and 2024, the University does not have custodial credit risk. Deposits of the University are covered by Federal Depository Insurance or securities pledged by the University's counterparty to its repurchase agreement held at a third party bank. The collateral is held in the name of the University. It provided \$4.3 million and \$12.5 million coverage in excess of deposits at June 30, 2025 and June 30, 2024, respectively.

At June 30, 2025, the University holds Certificate of Deposits of \$40.7 million and \$18.7 million in Northrim Bank and First National Bank of America, respectively. At June 30, 2024, the University holds Certificate of Deposits of \$22.7 million and \$10.0 million in Northrim Bank and First National Bank of America, respectively. They are used as guarantees for AK SSBCI loan guarantee program. The custodial credit risk associated does not reside in the University.

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 uses the modified duration measurement to evaluate interest rate risk. Modified duration measures a debt investment's exposure to fair value changes arising from changing interest rates. For example, a modified duration of 2 means that for a rise in interest rates of one percent, the value of the security would decrease two percent. The University does not have a policy regarding interest rate risk.

At June 30, 2025, the University had the following debt investments and corresponding duration (\$ in thousands):

Investment Type	Operating	Endowment	Education Trust		Duration
			of Alaska		
Debt-related:					
International Government	\$ 2,243	\$ -	\$ -	-	4.52
Federal Agency	5,237	-	-	-	4.72
Corporate	56,978	-	-	-	2.56
United States Treasury	16,270	-	-	-	2.37

At June 30, 2024, the University had the following debt investments and corresponding duration (\$ in thousands):

Investment Type	Operating	Endowment	Education Trust		Duration
				of Alaska	
Debt-related:					
International Government	\$ 2,629	\$ -	\$ -	-	4.41
Federal Agency	11,242	-	-	-	4.25
Corporate	64,913	-	-	-	3.22
United States Treasury	19,485	-	-	-	2.77

Hedge funds totaling \$104.3 million and \$80.5 million at June 30, 2025 and June 30, 2024, respectively, are exposed to interest rate risk; however, underlying fund data is not available to measure the interest rate risk.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates could have an adverse effect on an investment's value for investments denominated in foreign currencies. GASB Statement No. 40 requires disclosure of value in U.S. dollars by foreign currency denomination and investment type. At June 30, 2025, the University's foreign currency risk consisted of the Consolidated Endowment Fund's investments with

fair value of \$0.8 million in Canadian Dollars, \$1.8 million in Euros, and \$1.4 million in Swedish Krona. At June 30, 2024, the University's foreign currency risk consisted of the Consolidated Endowment Fund's investments with fair value of \$1.1 million in Canadian Dollars, \$1.3 million in Euros, and \$0.6 million in Swedish Krona.

3. Accounts Receivable

Accounts receivable consisted of the following at June 30, 2025 and 2024 (\$ in thousands):

June 30, 2025	Gross	Allowance	Net
Student tuition and fees	\$ 21,561	\$ (1,762)	\$ 19,799
Sponsored programs	83,126	(360)	82,766
Auxiliary services and other operating activities	755	(49)	706
Capital appropriations, grants and contracts	9,794	-	9,794
Total	\$ 115,236	\$ (2,171)	\$ 113,065

June 30, 2024	Gross	Allowance	Net
Student tuition and fees	\$ 21,239	\$ (1,557)	\$ 19,682
Sponsored programs	80,553	(650)	79,903
Auxiliary services and other operating activities	1,564	(27)	1,537
Capital appropriations, grants and contracts	6,034	-	6,034
Total	\$ 109,390	\$ (2,234)	\$ 107,156

4. Education Trust of Alaska

Assets held in trust include operating funds and retained earnings of the Education Trust of Alaska (Trust). The Trust was established pursuant to State of Alaska statute on April 20, 2001 by the Board of Regents to facilitate administration of the State's Internal Revenue Code (IRC) Section 529 College Savings Program. The program is a nationally marketed college savings program developed in accordance with IRC Section 529. Participant account balances of approximately \$11.1 billion and \$10.5 billion at June 30, 2025 and 2024, respectively, are not included in the financial statements. Separately audited Trust financial statements are available upon request from the University of Alaska Controller's office.

Assets of the Trust are invested in various mutual funds at the direction of T. Rowe Price Associates, Inc., the program manager. The net assets of the Trust, which include a reserve for University of Alaska (UA) Tuition Value Guarantees, are available for payment of program administrative costs, benefits and other purposes of the Trust. Based on an actuarial study, management estimates reserve requirements for the UA Tuition Value Guarantees to be approximately \$0.2 million and \$0.4 million at June 30, 2025 and 2024, respectively. The Tuition Value Guarantees are recorded in the Statements of Net Position in Other Noncurrent Liabilities.

5. Endowments, Land Grant Trust Property and Other Endowment Assets

The University's endowments consist of the Land Grant Endowment Trust Fund (LGETF) established pursuant to the 1929 federal land grant legislation, its related Inflation Proofing Fund (IPF) and several smaller "other" endowments.

Land Grant Trust (LGT) property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of

Alaska to be held in trust for the benefit of the University. The lands were managed by the territory, and later the State of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents, as trustee. In 1982 and 1988 certain state lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the state. These lands and property interests were recorded at their fair value as of the date of transfer. The net proceeds from land sales and other rights are deposited in the Land Grant Endowment Trust Fund as described in the Endowment section in Note 1 above. At June 30, 2025 and 2024, approximately 78,350 and 78,362 acres, respectively, were held in trust at zero basis because fair value at the time of transfer was not determinable.

A summary of the endowments and Land Grant Trust property for the years ended June 30, 2025 and 2024 follows (\$ in thousands):

June 30, 2025	LGETF & LGT	IPF	Other	Total
Assets:				
Notes receivable	\$ 138			\$ 138
Investments	168,003	28,731	811	197,545
Property, rights and other assets	29,551	41,994	1,569	73,114
Total assets	197,692	70,725	2,380	270,797
Liabilities (interfund)	4,898	19,683	-	24,581
Net Position:				
Unrestricted		51,042	65	51,107
Restricted - Expendable	57,435			57,435
Restricted - Non-expendable:				
Endowment corpus	108,378		2,315	110,693
Land Grant Trust Property	26,981			26,981
Total non-expendable	135,359	-	2,315	137,674
Total net position	\$ 192,794	\$ 51,042	\$ 2,380	\$ 246,216
June 30, 2024	LGETF & LGT	IPF	Other	Total
Assets:				
Notes receivable	\$ 170	\$ -	\$ -	\$ 170
Investments	158,314	27,468	811	186,593
Property, rights and other assets	29,607	32,544	1,275	63,426
Total assets	188,091	60,012	2,086	250,189
Liabilities (interfund)	4,433	18,000	-	22,433
Net Position:				
Unrestricted	-	42,012	65	42,077
Restricted - Expendable	48,165	-	-	48,165
Restricted - Non-expendable:				
Endowment corpus	108,423	-	2,021	110,444
Land Grant Trust Property	27,070	-	-	27,070
Total non-expendable	135,493	-	2,021	137,514
Total net position	\$ 183,658	\$ 42,012	\$ 2,086	\$ 227,756

6. Capital Assets

A summary of capital assets follows (\$ in thousands):

	Balance July 1, 2024	Additions	Retirements	Balance June 30, 2025
Capital assets not depreciated				
Land	\$ 39,343	\$ 560	\$ 8,531	\$ 31,372
Construction in progress	72,260	38,079	28,607	81,732
Museum collection	7,410	20	-	7,430
Other capital assets				
Buildings	2,437,338	26,031	568	2,462,801
Infrastructure	175,826	1,897	-	177,723
Equipment and vessel	460,245	24,837	18,468	466,614
Library books	53,568	207	2,590	51,185
Leasehold improvements	25,433	-	-	25,433
Intangible, Right of/to Use and Other Capital	56,362	7,295	1,090	62,567
Total	3,327,786	98,926	59,853	3,366,858
Less accumulated depreciation and amortization				
Buildings	1,360,229	68,755	8	1,428,976
Infrastructure	95,100	5,605	-	100,705
Equipment and vessel	283,479	21,950	16,262	289,167
Library books	48,267	724	2,590	46,401
Leasehold improvements	20,412	631	-	21,043
Intangible, Right of/to Use and Other Capital	41,001	6,018	1,090	45,929
Total accumulated depreciation and amortization	1,848,488	103,683	19,950	1,932,222
Capital assets, net	\$ 1,479,298	\$ (4,757)	\$ 39,903	\$ 1,434,636

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024
Capital assets not depreciated				
Land	\$ 38,936	\$ 407	\$ -	\$ 39,343
Construction in progress	33,107	59,939	20,786	72,260
Museum collection	7,399	11	-	7,410
Other capital assets				
Buildings	2,422,711	18,904	4,277	2,437,338
Infrastructure	174,638	1,188	-	175,826
Equipment	448,777	24,559	13,091	460,245
Library books	53,607	334	374	53,568
Leasehold improvements	25,434	-	-	25,433
Intangible, Right of/to Use and Other Capital	53,590	2,772	-	56,363
Total	3,258,199	108,114	38,528	3,327,786
Less accumulated depreciation and amortization				
Buildings	1,294,458	68,735	- 2,963	1,360,229
Infrastructure	89,597	5,503	-	95,100
Equipment	275,159	20,654	- 12,334	283,479
Library books	47,848	792	- 374	48,267
Leasehold improvements	19,639	773	-	20,412
Intangible, Right of/to Use and Other Capital	36,470	4,531	-	41,001
Total accumulated depreciation and amortization	1,763,171	100,988	15,671	1,848,488
Capital assets, net	\$ 1,495,028	\$ 7,126	\$ 22,857	\$ 1,479,298

As of June 30, 2015 the University completed construction of the research vessel named "Sikuliaq". Title of the vessel is retained by the National Science Foundation, the agency that funded the construction, but managed and operated by the University of Alaska Fairbanks, as part of the U.S. academic research fleet. It is used by scientists in the United States and international oceanographic community through the University-National Oceanographic Laboratory System. The vessel was put into unrestricted science operations in fiscal year 2015 and is home ported in Alaska at the Seward Marine Center. As of June 30, 2025, the cost of the vessel is \$196.0 million and is included in the Equipment and Vessel category in the preceding table. In the fiscal year ended June 30, 2025, no additional costs were capitalized. Accumulated depreciation at June 30, 2025 was \$91.5 million with a current year depreciation expense of \$8.5 million. As of June 30, 2024, the cost of the vessel was \$196.0 million with \$1.4 million in current year costs capitalized. Accumulated depreciation at June 30, 2024 was \$83.0 million with a current year depreciation expense of \$8.5 million.

7. Unrestricted and Restricted Net Position

At June 30, 2025, unrestricted and restricted net position included the following (\$ in thousands):

Unrestricted:	2025	2024
Auxiliaries	\$ (10,116)	\$ (8,679)
Strategic reserve fund	12,662	12,630
Working capital fund	(4,133)	(8,247)
Working capital advances	(6,945)	(3,266)
Service centers	(10,314)	(19,085)
Debt service funds	19,941	24,390
Renewal and replacement funds	34,658	35,847
Quasi-endowment funds	51,107	42,077
Employee benefit funds	(20,339)	(25,334)
Endowment earnings	16,673	17,370
Encumbrances	5,042	6,187
Cumulative net pension expense (GASB 68)	(255,888)	(217,258)
Cumulative net OPEB expense (GASB 75)	2,071	1,946
Matching funds	5,101	4,531
Unreserved	45,662	40,870
Total unrestricted net position	\$ (114,818)	\$ (96,021)
Restricted:	2025	2024
Expendable:		
Restricted funds	\$ 6,845	\$ 5,305
Student loan funds	170	170
Education Trust of Alaska	46,060	43,748
Capital project funds	17,432	31,285
Debt service funds	5	6
Endowment accumulated earnings	57,435	48,165
Net OPEB assets	120,716	114,852
Nonexpendable:		
Endowment corpus	110,693	110,443
Land Grant Trust property	26,981	27,070
Total restricted net position	\$ 386,337	\$ 381,044

Unrestricted net position includes non-lapsing University receipts of \$45.5 million at June 30, 2025. Non-lapsing University receipts of \$32.5 million from fiscal year 2024 were fully expended in fiscal year 2025.

At June 30, 2025 and 2024, the following funds were pledged as collateral for the University's general revenue bonds, as calculated under the terms of the 1992 General Revenue Bonds Trust Indenture (\$ in thousands).

	Pledged Revenue	
	June 30, 2025	June 30, 2024
Auxiliaries	\$ (10,116)	\$ (8,679)
Service centers	(10,314)	(19,085)
Matching funds	5,101	4,531
Encumbrances	5,042	6,187
Unreserved	45,662	40,870
Total	\$ 35,375	\$ 23,824

8. Long-term Debt

Long-term debt consisted of the following at June 30, 2025 and 2024 (\$ in thousands):

	2025	2024
General revenue bonds payable: 1.502% to 5.25% general revenue bonds due serially to 2045, secured by a pledge of unrestricted current fund revenue generated from tuition, fees, recovery of facilities and administrative costs, sales and services of educational departments, miscellaneous receipts and auxiliaries.	\$ 205,510	\$ 217,505
Direct Borrowing - Note payable: 3.985% note payable to the Alaska Housing Finance Corporation (AHFC) to finance Anchorage campus housing, due semiannually through February 2033. Some of the financed housing property is held as collateral of the note.	10,190	11,252
Financed Purchase - Financed purchase payments to Community Property of Alaska to finance the construction of the student dining facility on Fairbanks Campus, due semiannually through 2045.	20,062	20,757
	\$ 235,762	\$ 249,514
Premium on bonds	15,175	16,344
Long-term debt	\$ 250,937	\$ 265,858

The General Revenue Bonds trust indenture contains a provision that in an event of default, the bond trustee will enforce all rights of the bond owners or the trustee, including the right to require the University to receive and collect revenues, and declaring all outstanding bonds are due and payable.

The direct borrowing note payable to AHFC contains a provision that in an event of default, the unpaid balance of these loans may become due and payable immediately.

In fiscal year 2025 and 2024, the state reimbursed the University \$1.2 million and \$1.2 million respectively, for debt service on certain projects originally financed in the 2002 Series K general revenue bonds. The reimbursement is included in state appropriations. Subject to the approval of annual appropriations, future annual state reimbursements for these projects will be approximately \$1.2 million.

Under the terms of the 1992 General Revenue Bonds Trust Indenture, the University was required to maintain a reserve account with a trustee at an amount equal to one-half of the maximum annual general revenue bond debt service. The 2013 Series S bonds' supplemental indenture includes a springing amendment that eliminates the reserve fund once all bonds issued prior to 2013 Series S have been retired. The balance in the reserve account at June 30, 2020 was \$12.5 million. When 2020 Series W was issued in July 2020, the reserve requirement was eliminated and funds in the reserve account were liquidated.

For fiscal year 2025 and 2024, total interest expense was \$10.2 million and \$10.4 million, respectively.

Debt service requirements at June 30, 2025 were as follows (\$ in thousands):

Years Ending June 30, 202	Bonds			Notes from Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2026	12,480	8,672	21,152	1,105	395	1,500
2027	12,985	8,170	21,155	1,149	351	1,500
2028	13,495	7,657	21,152	1,196	304	1,500
2029	13,455	7,142	20,597	1,244	256	1,500
2030	12,000	6,646	18,646	1,294	206	1,500
2031-2035	56,845	25,641	82,486	4,203	297	4,500
2036-2040	49,540	13,771	63,311	-	-	-
2041-2045	34,710	3,833	38,543	-	-	-
	\$ 205,510	\$ 81,533	\$ 287,043	\$ 10,190	\$ 1,810	\$ 12,000

In fiscal year 2013, the University entered into a long-term agreement with Community Properties of Alaska, Inc. (CPA), an Alaska non-profit corporation, to lease a new student dining facility on the University of Alaska Fairbanks Campus. CPA completed construction of the student dining facility in fiscal year 2014 using proceeds from its Lease Revenue Bonds 2012. CPA is leasing the underlying land from the University. Security for the Lease Revenue Bonds 2012 is the University's lease payments to CPA, paid from dining and other university receipts. The University operates the facility. The University receives title to the facility when the bonds are fully paid off, which may be done at any time. This is recorded as financed purchase and included in long-term debt in the Statement of Net Position. As of June 30, 2025, the dining facility has a capitalized cost of \$24.5 million and is included in capital assets with accumulated depreciation of \$6.7 million. As of June 30, 2024, the dining facility had a capitalized cost of \$24.5 million with accumulated depreciation of \$6.1 million.

The Indenture of Trust contains a provision that in the event of default, the trustee may foreclose the Leasehold Deed of Trust and enforce all rights of the owners of the bonds, including declaring all outstanding bonds and accrued interest shall be due and payable immediately.

The principal and interest payments under this financed purchase as of June 30, 2025 are as follows:

Years Ending June 30,	Principal	Interest	Total
2026	1,382	(663) \$	719
2027	1,380	(638) \$	742
2028	1,376	(612) \$	764
2029	1,375	(586) \$	789
2030	1,378	(558) \$	820
2031-2035	6,855	(2,345) \$	4,510
2036-2040	6,840	(1,503) \$	5,337
2041-2045	6,889	(508) \$	6,381
Total	\$ 27,475	\$ (7,413) \$	20,062

9. Leases and Subscription-Based Information Technology Arrangements

The University, acting as lessor, leases buildings and land under long-term, non-cancelable lease agreements. The leases expire at various dates through 2040 with interest rates ranging from 3.076 percent to 4.644 percent. During the year ended June 30, 2025, the University recognized \$3.6 million and \$0.8 million in lease revenue and interest revenue, respectively, pursuant to these contracts. During the year ended June 30, 2024, the University recognized \$4.0 million and \$1.0 million in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows (\$ in thousands):

Years Ending June 30	Principal	Interest	Total
2026	\$ 3,336	\$ 760	\$ 4,096
2027	3,161	628	3,789
2028	1,937	513	2,450
2029	1,230	448	1,678
2030	1,193	392	1,585
2031-2035	5,814	1,120	6,934
2036 and thereafter	1,585	188	1,773
Total minimum lease payments	\$ 18,255	\$ 4,048	\$ 22,304

The University leases land and buildings, and subscription-based information technology arrangements (SBITA) for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2071 with interest rates ranging from 3.076 percent to 5.260 percent.

Total future minimum payments under lease agreements and SBITA are as follows (\$ in thousands):

Years Ending June 30	Leases		Subscription-Based		Total
	Principal	Interest	Principal	Interest	
2026	\$ 891	\$ 178	\$ 3,487	\$ 201	\$ 4,757
2027	748	146	1,809	90	2,793
2028	673	118	659	31	1,481
2029	332	96	185	10	623
2030	264	84	40	4	392
2031-2035	923	272	65	4	1,264
2036 and thereafter	646	453	-	-	1,099
Total minimum payments	\$ 4,477	\$ 1,347	\$ 6,244	\$ 341	\$ 12,409

Right-to-use assets acquired through outstanding leases and subscription-based information technology agreements are shown below, by underlying asset class (\$ in thousands).

	June 30, 2025	June 30, 2024
Land	\$ 2,465	\$ 2,465
Buildings	7,171	6,436
Subscription assets	14,981	9,264
Total	24,617	18,165
Less: accumulated amortization	(13,279)	(8,443)
	\$ 11,338	\$ 9,722

10. Long-term Liabilities

Long-term liability activity was as follows (\$ in thousands):

	Balance			Balance due within one year	
	July 1, 2024	Additions	Reductions	June 30, 2025	
Long-term debt	265,858	687	15,608	250,937	13,959
Lease liability	4,901	712	1,137	4,476	858
Subscription liability	4,567	5,717	4,039	6,245	3,487
Net pension liability	238,092	34,271	-	272,363	-
Other noncurrent liabilities	913	6	154	765	-
Total	\$ 514,331	\$ 41,393	\$ 20,938	\$ 534,786	\$ 18,304

	Balance			Balance due within one year	
	July 1, 2023	Additions	Reductions	June 30, 2024	
Long-term debt	280,330	711	15,183	265,858	13,452
Lease liability	4,819	1,148	1,066	4,901	935
Subscription liability	5,951	1,336	2,720	4,567	2,237
Net pension liability	231,545	6,547	-	238,092	-
Other noncurrent liabilities	2,049	-	1,136	913	-
Total	\$ 524,694	\$ 9,742	\$ 20,105	\$ 514,331	\$ 16,624

11. Capital Appropriations and Construction Commitments

Major construction projects of the University are funded primarily by State of Alaska appropriations and general obligation bonds, University general revenue bonds and federal grants. Unexpended and unbilled capital funds appropriated by the State of Alaska in prior years, which are not reflected as appropriation revenue or receivables on the University's books at June 30, 2025 and 2024, totaled \$37.4 million and \$32.5 million, respectively.

Construction commitments at June 30, 2025 aggregated \$14.6 million. At June 30, 2025, the University had received \$9.0 million from State of Alaska capital appropriations and other sources in advance of expenditures. The advances are included in unearned revenue and deposits.

12. Retirement Plans

Participation in one of the various retirement plans generally depends on when an employee was originally hired. Substantially all regular employees hired before July 1, 2006 participate in one of the following retirement plans:

- The State of Alaska Public Employees' Retirement System – Defined Benefit (PERS-DB), a cost-sharing, multiple-employer public employee retirement plan,
- The State of Alaska Teachers' Retirement System – Defined Benefit (TRS-DB), a cost-sharing, multiple-employer public employee retirement plan,
- The University of Alaska Optional Retirement Plan (ORP) Tier 1 or Tier 2, a single-employer defined contribution plan.

In addition, substantially all eligible employees participate in the University of Alaska Pension Plan, a supplemental single-employer defined contribution plan. Employees hired on or after July 1, 2006 have a choice to participate in the University of Alaska Retirement Program or the applicable state defined contribution plan. The University of Alaska Retirement Program consists of ORP (Tier 3) and the University of Alaska Pension Plan. However, certain staff hired July 1, 2015 and later are not eligible for the ORP. The State's defined contribution plans are the Public Employees' Retirement System – Defined Contribution (PERS-DC) or the Teachers' Retirement System-Defined Contribution (TRS-DC).

The University provides elective deferral options for employee contributions to deferred annuity plans in accordance with Internal Revenue Code sections 403(b) and 457(b), subject to eligibility criteria.

Each of the plans noted above are described in more detail in the sections that follow. None of the retirement systems or plans own any notes, bonds or other instruments of the University.

Actuarial Assumptions for State of Alaska PERS-DB and TRS-DB pension and OPEB plans

The total pension and OPEB liabilities for the June 30, 2024 measurement date were determined by actuarial valuations as of June 30, 2023, which were rolled forward to June 30, 2024. The actuarial valuations used the following actuarial assumptions:

Inflation rate	2.50% per year
Salary increases PERS-DB	For peace officer/firefighter, increases range from 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service.
Salary increases TRS-DB	Range from 7.00% to 2.85% based on service
Investment rate of return	7.25% net of plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.75%.
Healthcare cost trend rates	Pre-65 medical: 6.4% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drugs/Employee Group Waiver Program: 6.9% grading down to 4.5%
Participation in OPEB plans	For PERS-DB: 100% of system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. For Peace Officers/Firefighters, 20% of non-system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. For Others, 25% of non-system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. For TRS-DB: 100% of system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. 20% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

The total pension and OPEB liabilities for the June 30, 2023 measurement date were determined by actuarial valuations as of June 30, 2022, which were rolled forward to June 30, 2023. The actuarial valuations used the following actuarial assumptions:

Inflation rate	2.50% per year
Salary increases PERS-DB	For peace officer/firefighter, increases range from 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service.
Salary increases TRS-DB	Range from 7.00% to 2.85% based on service
Investment rate of return	7.25% net of plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.75%.
Healthcare cost trend rates	Pre-65 medical: 6.7% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Prescription drugs/Employee Group Waiver Program: 7.2% grading down to 4.5%
Participation in OPEB plans	For PERS-DB: 100% of system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. For Peace Officers/Firefighters, 20% of non-system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. For Others, 25% of non-system paid members and their spouses are assumed to elect healthcare benefits as soon as they are eligible. For TRS-DB: 100% of system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. 20% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

The mortality actuarial assumptions used in the June 30, 2023 and June 30, 2022 actuarial valuations are as follows:

Mortality for PERS-DB pension and OPEB plans:

Mortality – Peace Officer /Firefighter	Mortality - Others
Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 70% of the time for both the pension and OPEB plans.	Pre-commencement mortality rates were based on the Pub-2010 General Employee table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time for both the pension and OPEB plans.
Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement.	Post-commencement mortality rates for healthy retirees were based on 98% of male and 106% of female rates for pension and 101% of male and 110% of female rates for OPEB of the Pub-2010 General Retiree table, amount-weighted for pension and headcount-weighted for OPEB, and

	projected with MP-2021 generational improvement.
Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement.	Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement.
Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.	Post-commencement mortality rates for beneficiaries were based on 102% of male and 108% of female rates for pension and 101% of male and 108% of female rates for OPEB of the Pub-2010 Contingent Survivor table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.

Mortality for TRS-DB pension and OPEB plans:

Pre-commencement mortality rates were based on the Pub-2010 Teachers Employee table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 15% of the time for both the pension and OPEB plans.
Post-commencement mortality rates for healthy retirees were based on 97% of the Pub-2010 Teachers Retiree table, amount-weighted, and projected with MP-2021 generational improvement for the pension plan. Post-commencement mortality rates for healthy retirees were based on 98% of male and 100% of female rates of the Pub-2010 Teachers Retiree table, headcount-weighted, and projected with MP-2021 generational improvement for the OPEB plan.
Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, amount-weighted for pension, headcount-weighted for OPEB, and projected with MP-2021 generational improvement.
Post-commencement mortality rates for beneficiaries were based on 100% of male and 95% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement for the pension plan. Post-commencement mortality rates for beneficiaries were based on 100% of male and 94% of female rates of the Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement for the OPEB plan. These rates are applied only after the death of the original member.

The actuarial assumptions used in the June 30, 2023 and June 30, 2022 actuarial valuations were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The assumptions used in the June 30, 2023 actuarial valuation are the same as those used in the June 30, 2022 valuation. The assumptions used in the June 30, 2022 actuarial valuation are the same as those used in the June 30, 2021 valuation, with the following exceptions:

For the OPEB plans, the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from Plan assets. And, per capital claims costs were updated to reflect the most recent two years of actual administrative expenses paid from Plan assets.

Long-term expected rate of return. The long-term expected rate of return on pension and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected

future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the pension and OPEB plan's target asset allocation as of June 30, 2024 and June 30, 2023 are summarized in the following tables (note that the rates shown below exclude an inflation component of 2.50%).

June 30, 2024

Asset Class	Target asset allocation	Long-term Expected Real Rate of Return
Broad domestic equity	26.00%	5.48%
Global equity (ex-U.S.)	17.00%	7.14%
Global equity	3.60%	5.79%
Aggregate bonds	24.25%	2.10%
Real assets	14.00%	4.63%
Private equity	14.00%	8.84%
Cash equivalents	1.15	0.77%

June 30, 2023

Asset Class	Target asset allocation	Long-term Expected Real Rate of Return
Broad domestic equity	27.00%	6.17%
Global equity (non-U.S.)	22.00%	6.55%
Aggregate bonds	23.00%	1.63%
Real assets	14.00%	4.87%
Private equity	14.00%	11.57%
Cash equivalents	-	0.49%

Discount Rate. For both measurement dates of June 30, 2024 and June 30, 2023, the discount rate used to measure the total pension and OPEB liabilities was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employer and non-employer contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position for the pension and OPEB Plans 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 and OPEB Plan investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities.

State of Alaska Public Employees' Retirement System - Defined Benefit (PERS-DB)

Plan Description

PERS-DB is a defined benefit, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska. The plan was originally established as an agent multiple-employer plan, but was converted by legislation to a cost-sharing plan, effective July 1, 2008. This change provided

for an integrated system of accounting for all employers. Under the integrated system, the PERS-DB plans' unfunded liability will be shared among all employers with each contributing 22 percent of their covered payroll.

PERS provides pension, postemployment health care, death and disability benefits to eligible participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed PERS-DB to new members and created a Public Employees' Retirement System Defined Contribution Retirement Plan (PERS-DC), disclosed later in this note.

The PERS-DB Plan is a plan within the Public Employees' Retirement System (PERS). PERS includes the PERS-DB and Alaska Retiree Healthcare Trust (ARHCT). Senate Bill 123 was passed during the 2007 legislative session and created the ARHCT. ARHCT is self-funded and provides major medical coverage to retirees of PERS. PERS retains the risk of loss of allowable claims for eligible members. ARHCT began paying member healthcare claims on March 1, 2008. Prior to that time, healthcare claims were paid for by the Retiree Health Fund (RHF).

Each fiscal year, PERS issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website <http://doa.alaska.gov/drb>.

Funding Policy and Annual Pension Cost

Employee contribution rates are 6.75 percent (7.50 percent for peace officers and firefighters). The funding policy for PERS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. The 2025 and 2024 actuarially determined rates were 26.76 percent and 25.10 percent of applicable gross pay, respectively. However, the employer contribution rate for the University was capped by the state at 22 percent for fiscal years 2024 and 2023.

The University's Schedule of Required Contributions follows (\$ in thousands):

Years Ended June 30,	PERS-DB Annual Required Contributions				Pension percentage contributed	Postemployment healthcare percentage contributed		
	Postemployment							
	Pension	healthcare	Total					
2025	\$	12,206	\$	-	\$	12,206	100%	100%
2024	\$	12,570	\$	-	\$	12,570	100%	100%
2023	\$	12,421	\$	-	\$	12,421	100%	100%

Alaska Statutes require the University contribute to PERS-DB and DC plans a minimum each year of 22 percent of the University's fiscal year PERS covered payroll.

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

The University reported a liability for its proportionate share of the net pension liability. The amount recognized by the University as its proportionate share of the net pension liability and the State's proportionate share of the net pension liability associated with the University were as follows (\$ in thousands):

	June 30, 2025	June 30, 2024
University's proportionate share of the net pension liability	\$ 245,502	\$ 213,663
State's proportionate share of the net pension liability associated with the University (unaudited)	91,797	71,230
Total	\$ 337,299	\$ 284,893

The University's proportion of the net pension liability was based on a projection of the University's share of present value of future contributions to the pension plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2025, the University's portion was 4.476 percent, which was an increase of 0.356 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024, the University's portion was 4.121 percent, which was an increase of 0.082 percentage points from the University's portion measured as of June 30, 2023.

For the year ended June 30, 2025, the University recognized pension expense of \$62.4 million and revenue of \$14.8 million for support provided by the State of Alaska. At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to PERS-DB pension plan from the following sources (\$ in thousands):

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual investment earnings	\$ 2,363	\$ -
Contributions subsequent to the measurement date	12,206	-
Total	\$ 14,569	\$ -

The contributions of \$12.2 million reported as deferred outflows of resources related to the PERS-DB pension plan resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS-DB will be recognized in pension expense as follows (\$ in thousands):

Years Ending June 30,	
2026	\$ 17,875
2027	\$ (1,808)
2028	\$ (1,498)
Thereafter	-

For the year ended June 30, 2024, the University recognized pension expense of negative \$28.4 million and revenue of \$7.8 million for support provided by the State of Alaska. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to PERS-DB pension plan from the following sources (\$ in thousands):

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Difference between projected and actual investment earnings	\$ 5,577	\$ -
Changes in assumptions	-	-
Changes in proportion and differences between employer contributions	-	-
Contributions subsequent to the measurement date	12,570	-
Total	\$ 18,147	\$ -

The contributions of \$12.6 million reported as deferred outflows of resources related to the PERS-DB pension plan resulting from the University contributions subsequent to the measurement date were recognized as a reduction of the net pension liability in the year ended June 30, 2025. The University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS-DB at June 30, 2024 were projected to be recognized in pension expense as follows (\$ in thousands):

Years Ending June 30,	
2025	\$ 5,777
2026	\$ 12,655
2027	\$ (285)
Thereafter	-

Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.25 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate (\$ in thousands):

June 30, 2025				
	1% Decrease	Discount Rate	1% Increase	
	6.25%	7.25%	8.25%	
University's proportionate share of the net pension liability	\$ 327,032	\$ 245,502	\$ 176,508	
June 30, 2024				
	1% Decrease	Discount Rate	1% Increase	
	6.25%	7.25%	8.25%	
University's proportionate share of the net pension liability	\$ 286,841	\$ 213,663	\$ 151,848	

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS-DB financial report.

According to GASB Statement No. 68, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the PERS-DB plan for the University as further described in Alaska Statute 39.35.280. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize an additional net pension liability of \$91.8 million (unaudited) as of June 30, 2025 and \$71.2 million (unaudited) as of June 30, 2024.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025 and June 30, 2024, the University reported an asset for its proportionate share of the net Postemployment Benefits Other Than Pensions (OPEB) asset. The amount recognized by the University as its proportionate share of the net OPEB (asset) liability and the State's proportionate share of the net PERS OPEB (asset) liability associated with the University were as follows (\$ in thousands):

	June 30, 2025	June 30, 2024
University's proportionate share of the net OPEB liability (asset)	\$ (98,774)	\$ (94,606)
State's proportionate share of the net OPEB liability (asset) associated with the University (unaudited)	(36,689)	(31,844)
Total	\$ (135,463)	\$ (126,450)

The University's proportion of the net OPEB asset was based on a projection of the University's share of present value of future contributions to the OPEB plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2025, the University's portion was 4.485 percent, which was an increase of 0.374 percentage points from the

University's portion measured as of June 30, 2024. At June 30, 2024, the University's portion was 4.112 percent, which was an increase of 0.101 percentage points from the University's portion measured as of June 30, 2023.

For the year ended June 30, 2025, the University recognized OPEB expense of negative \$3.1 million and revenue of \$1.4 million for support provided by the State of Alaska. At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DB OPEB plan from the following sources (\$ in thousands):

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 54	\$ -
Difference between projected and actual investment earnings	1,504	-
Changes in assumptions	2,652	-
Changes in proportion and differences between employer contributions	-	1,377
Total	\$ 4,210	\$ 1,377

Amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS-DB OPEB plan will be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	
2026	\$ 5,738
2027	\$ (1,597)
2028	\$ (1,309)
Thereafter	-

For the year ended June 30, 2024, the University recognized OPEB expense of negative \$21.4 million and negative revenue of \$5.4 million for support provided by the State of Alaska. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DB OPEB plan from the following sources (\$ in thousands):

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 196	\$ -
Difference between projected and actual investment earnings	4,306	-
Changes in assumptions	-	1,741
Changes in proportion and differences between employer contributions	-	339
Total	\$ 4,502	\$ 2,080

Amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS-DB OPEB plan at June 30, 2024 were projected to be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	
2025	\$ (7,646)
2026	\$ 10,333
2027	\$ (264)
Thereafter	-

Sensitivity of the University's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB (asset) liability calculated using the discount rate of 7.25 percent, as well as what the University's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (\$ in thousands):

June 30, 2025

	1% Decrease	Discount Rate	1% Increase
	6.25%	7.25%	8.25%
University's proportionate share of the net OPEB (asset) liability	\$ (62,542)	\$ (98,774)	\$ (129,264)

June 30, 2024

	1% Decrease	Discount Rate	1% Increase
	6.25%	7.25%	8.25%
University's proportionate share of the net OPEB (asset) liability	\$ (62,884)	\$ (94,606)	\$ (121,255)

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERS-OPEB financial report.

According to GASB Statement No. 75, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the PERS-DB plan for the University as further described in Alaska Statute 39.35.280. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize an additional net OPEB asset of \$36.7 million (unaudited) as of June 30, 2025 and \$31.8 million (unaudited) as of June 30, 2024.

State of Alaska Teachers' Retirement System - Defined Benefit (TRS-DB)

Plan Description

TRS-DB is a defined benefit, cost-sharing, multiple employer public employee retirement plan established and administered by the State of Alaska. TRS-DB provides pension, postemployment health care, death and disability benefits to participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed TRS-DB to new members and created a Teachers' Retirement System Defined Contribution Retirement Plan (TRS-DC), disclosed later in this note.

Each fiscal year, TRS-DB issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website <http://doa.alaska.gov/drb>.

Funding Policy and Annual Pension Cost

Employees contribute 8.65 percent of their base salary as required by state statute. The funding policy for TRS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. During fiscal years 2025 and 2024, contractually required employee and employer contribution rates were 8.65 percent and 12.56 percent, respectively. The 2025 and 2024 actuarially determined employer contribution rates were 28.59 percent and 25.52 percent of applicable gross pay, respectively.

The University's Schedule of Required Contributions follows (\$ in thousands):

Years Ended June	TRS-DB Annual Required Contributions			Pension percentage contributed	Postemployment healthcare percentage
	Pension	healthcare	Total		
2025	\$ 1,458	\$ -	\$ 1,458	100%	100%
2024	\$ 1,686	\$ -	\$ 1,686	100%	100%
2023	\$ 1,792	\$ -	\$ 1,792	100%	100%

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

At June 30, 2025, the University reported a liability for its proportionate share of the net pension liability. The amount recognized by the University as its proportionate share of the net pension liability and the State's proportionate share of the net TRS-DB pension liability associated with the University were as follows (\$ in thousands):

	June 30, 2025	June 30, 2024
University's proportionate share of the net pension liability	\$ 26,861	\$ 24,430
State's proportionate share of the net pension liability associated with the University (unaudited)	46,171	38,611
Total	\$ 73,032	\$ 63,041

The University's proportion of the net pension liability was based on a projection of the University's share of present value of future contributions to the pension plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2025 the University's portion was 1.452 percent which was an increase of 0.063 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024 the University's portion was 1.389 percent which was a decrease of 0.154 percentage points from the University's portion measured as of June 30, 2023.

For the year ended June 30, 2025, the University recognized pension expense of \$11.6 million and revenue of \$7.0 million for support provided by the State of Alaska. At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DB pension plan from the following sources (\$ in thousands):

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual investment earnings	\$ 448	\$ -
Contributions subsequent to the measurement date	1,458	-
Total	\$ 1,906	\$ -

The contributions of \$1.5 million reported as deferred outflows of resources related to pensions resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DB pension plan will be recognized in pension expense as follows (\$ in thousands):

Years Ending June 30,	
2026	\$ 2,474
2027	\$ (307)
2028	\$ (261)
Thereafter	\$ -

For the year ended June 30, 2024, the University recognized pension expense of \$5.4 million and revenue of \$5.3 million for support provided by the State of Alaska. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DB pension plan from the following sources (\$ in thousands):

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual investment earnings	1,002	-
Contributions subsequent to the measurement date	1,686	-
Total	\$ 2,688	\$ -

The contributions of \$1.7 million reported as deferred outflows of resources related to pensions resulting from the University contributions subsequent to the measurement date were recognized as a reduction of the net pension liability in the year ended June 30, 2025. The University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DB pension plan at June 30, 2024 were projected to be recognized in pension expense as follows (\$ in thousands):

Years Ending June 30,	
2025	\$ 328
2026	\$ 2,404
2027	\$ (44)
Thereafter	\$ -

Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.25 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate (\$ in thousands):

June 30, 2025

	1% Decrease 6.25%	Discount Rate 7.25%	1% Increase 8.25%
University's proportionate share of the net pension liability	\$ 38,968	\$ 26,861	\$ 16,612

June 30, 2024

	1% Decrease 6.25%	Discount Rate 7.25%	1% Increase 8.25%
University's proportionate share of the net pension liability	\$ 35,962	\$ 24,430	\$ 14,687

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued TRS-DB financial report.

According to GASB Statement No. 68, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the TRS-DB plan for the University as further described in Alaska Statute 14.25.085. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize additional net pension liability of \$46.2 million (unaudited) as of June 30, 2025 and \$38.6 million (unaudited) as of June 30, 2024.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the University reported an asset for its proportionate share of the net Postemployment Benefits Other Than Pensions (OPEB) asset. The amount recognized by the University as its proportionate share of the net OPEB asset and the state's proportionate share of the net TRS-DB OPEB asset associated with the University were as follows (\$ in thousands):

	June 30, 2025	June 30, 2024
University's proportionate share of the net OPEB liability (asset)	\$ (15,034)	\$ (14,446)
State's proportionate share of the net OPEB liability (asset) associated with the University (unaudited)	(24,356)	(21,791)
Total	\$ (39,390)	\$ (36,237)

The University's proportion of the net OPEB asset was based on a projection of the University's share of present value of future contributions to the OPEB plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2025 the University's portion was 1.507 percent which was an increase of 0.078 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024 the University's portion was 1.429 percent which was a decrease of 0.145 percentage points from the University's portion measured as of June 30, 2023.

For the year ended June 30, 2025, the University recognized OPEB expense of \$0.2 million and revenue of \$0.5 million for support provided by the State of Alaska. At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DB OPEB plan from the following sources (\$ in thousands):

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (4)
Difference between projected and actual investment earnings	190	-
Changes in assumptions	178	-
Changes in proportion and differences between employer contributions	-	(73)
Total	\$ 368	\$ (77)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DB OPEB plan will be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	
2026	\$ 672
2027	\$ (209)
2028	\$ (172)
Thereafter	\$ -

For the year ended June 30, 2024, the University recognized OPEB expense of negative \$3.1 million and negative revenue of \$3.0 million for support provided by the State of Alaska. At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DB OPEB plan from the following sources (\$ in thousands):

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 40	\$ -
Difference between projected and actual investment earnings	596	-
Changes in assumptions	-	228
Changes in proportion and differences between employer contributions	212	-
Total	\$ 848	\$ 228

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DB OPEB plan at June 30, 2024 were projected to be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	
2025	\$ (716)
2026	\$ 1,370
2027	\$ (36)
Thereafter	\$ -

Sensitivity of the University's proportionate share of the net OPEB (asset) liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB asset calculated using the discount rate of 7.25 percent, as well as what the University's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (\$ in thousands):

June 30, 2025

	1% Decrease 6.25%	Discount Rate 7.25%	1% Increase 8.25%
University's proportionate share of the net OPEB (asset) liability	\$ (10,361)	\$ (15,034)	\$ (18,944)

June 30, 2024

	1% Decrease 6.25%	Discount Rate 7.25%	1% Increase 8.25%
University's proportionate share of the net OPEB (asset) liability	\$ (10,216)	\$ (14,446)	\$ (17,980)

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS-DB financial report.

According to GASB Statement No. 75, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the TRS-DB plan for the University as further described in Alaska Statute 14.25.085. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize additional net OPEB asset of \$24.4 million as of June 30, 2025 and \$21.8 million as of June 30, 2024.

Actuarial Assumptions for the OPEB plans provided by the State of Alaska PERS and TRS Defined Contribution retirement plans:

Actuarial Assumptions. The total OPEB liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023, which was rolled forward to June 30, 2024. The total OPEB liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. These actuarial valuations used the following actuarial assumptions:

Inflation rate	2.50% per year
Salary increases PERS-DC	For peace officer/firefighter, increases range from 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service
Salary increases TRS-DC	Range from 7.25% to 2.85% based on service
Investment rate of return	7.25%, net of plan investment expenses. This is based on average inflation rate of 2.50% and a real rate of return of 4.75%
Healthcare cost trend rates	For June 30, 2024 measurement date: Pre-65 medical: 6.4% grading down to 4.5% Post-65: medical: 5.4% grading down to 4.5% Prescription drug: 6.9% grading down to 4.5% Employer Group Waiver Plan (EGWP): 6.9% grading down to 4.5%
Healthcare cost trend rates	For June 30, 2023 measurement date: Pre-65 medical: 6.7% grading down to 4.5% Post-65: medical: 5.5% grading down to 4.5% Prescription drug: 7.2% grading down to 4.5% Employer Group Waiver Plan (EGWP): 7.2% grading down to 4.5%

Mortality for PERS-DC plans for both the June 30, 2024 and June 30, 2023 measurement dates:

Mortality – Peace Officer /Firefighter	Mortality - Others
Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, headcount-weighted for the Retiree Medical (RM) plan and amount-weighted for the Occupational Death and Disability (ODD) plan, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 70% of the time.	Pre-commencement mortality rates were based on the Pub-2010 General Employee table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time.
Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement.	Post-commencement mortality rates for healthy retirees were based on 101% of male and 110% of female rates of the Pub-2010 General Retiree table, headcount-weighted, and projected with MP-2021 generational improvement for the RM plan. Post-commencement mortality rates for healthy retirees were based on 98% of male and 106% of female rates of the Pub-2010 General Retiree table, amount weighted, and projected with MP-2021 generational improvement for the ODD plan.

Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement.	Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement.
Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.	Post-commencement mortality rates for beneficiaries were based on 101% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted and projected with MP-2021 generational improvement for the RM plan. Post-commencement mortality rates for beneficiaries were based on 102% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement for the ODD plan. These rates are applied only after the death of the original member.

Mortality for TRS-DC plans for both the June 30, 2024 and June 30, 2023 measurement dates:

Pre-commencement mortality rates were based on the Pub-2010 Teachers Employee table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 15% of the time for the pension plan.
Post-commencement mortality rates for healthy retirees were based on 98% of male and 100% of female rates of the Pub-2010 Teachers Retiree table, headcount-weighted, and projected with MP-2021 generational improvement for the RM plan. Post-commencement mortality rates for healthy retirees were based on 97% of the Pub-2010 Teachers Retiree table, amount-weighted, and projected with MP-2021 generational improvement for the ODD plan.
Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, headcount-weighted for the RM plan and amount-weighted for the ODD plan, and projected with MP-2021 generational improvement.
Post-commencement mortality rates for beneficiaries were based on 100% of male and 94% of female rates of the Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement for the RM plan. Post-commencement mortality rates for beneficiaries were based on 100% of male and 95% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement for the ODD plan. These rates are applied only after the death of the original member.

For both the PERS and TRS OPEB plans, the actuarial assumptions used in the June 30, 2023 and June 30, 2022 actuarial valuations were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The assumptions used in the June 30, 2023 actuarial valuation are same as those used in the June 30, 2022 valuation with the following exceptions for the Retiree Medical plans:

1. Per capita claims costs were updated to reflect recent experience.
2. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

Long-term expected rate of return. The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation are summarized in the following table (note that the rates shown below exclude an inflation component of 2.39% for June 30, 2025 and 2.50% June 30, 2024):

June 30, 2025

Asset Class	Target asset allocation	Long-term Expected Real Rate of Return
Broad domestic equity	26.00%	5.48%
Global equity (ex-U.S.)	17.00%	7.14%
Global equity	3.60%	5.79%
Aggregate bonds	24.25%	2.10%
Real assets	14.00%	4.63%
Private equity	14.00%	8.84%
Cash equivalents	1.15%	0.77%

June 30, 2024

Asset Class	Target asset allocation	Long-term Expected Real Rate of Return
Broad domestic equity	27.00%	6.17%
Global equity (non-U.S.)	22.00%	6.55%
Aggregate bonds	23.00%	1.63%
Real assets	14.00%	4.87%
Private equity	14.00%	11.57%
Cash equivalents	-	0.49%

Discount Rate. The discount rate used to measure the total OPEB liability as of June 30, 2024 and June 30, 2023 was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy which meets State Statutes. Based on those assumptions, the Plans' fiduciary net positions 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 Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

State of Alaska Public Employees' Retirement System - Defined Contribution (PERS-DC)

Plan Description

PERS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. PERS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in individual retirement accounts for the exclusive benefit of each member or beneficiary.

Funding Policy and Annual Pension Cost

The employee contribution rate is 8 percent and the employer effective contribution rate is 22 percent of covered payroll. For the years ended June 30, 2025 and 2024, the University's total covered payroll for the PERS-DC plan was approximately \$131.6 million and \$115.4 million, respectively. Contributions made by the University follows (\$ in thousands):

Years Ended June 30,	PERS-DC University Contributions		
	Pension	Postemployment Healthcare	Total Contributions
2025	\$ 23,037	\$ 5,918	\$ 28,955
2024	\$ 19,850	\$ 5,544	\$ 25,394

On July 1, 2006, three pension trust sub-funds were created within PERS, the Retiree Major Medical Insurance (RMP), Health Reimbursement Arrangement (HRA), and Occupational Death and Disability (ODD). RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. ODD provides employees with benefits as a result of death or disability on the job. PERS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rates for fiscal years 2025 and 2024 are 0.83 and 1.01 percent, respectively, for medical coverage and 0.24 and 0.30 percent, respectively (0.69 and 0.68 percent, respectively, for peace officers and firefighters) for occupational death and disability benefit contributions. For fiscal years 2025 and 2024, the HRA employer contributions are \$198.90 and \$191.88 per month, respectively, for full time employees and \$1.53 and \$1.48 per hour for part time employees, respectively.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the University reported the following balances for its proportionate share of the net OPEB (assets) liabilities related to the PERS-DC Retiree Medical and Occupational Death & Disability plans (\$ in thousands):

	June 30, 2025	June 30, 2024
University's proportionate share of the net		
OPEB liability (asset) - Retiree Medical	\$ (2,806)	\$ (2,552)
University's proportionate share of the net		
OPEB liability (asset) - Occupational Death & Disability	(3,055)	(2,349)
Total	\$ (5,861)	\$ (4,901)

The University's proportion of the net OPEB (asset) liability was based on a projection of the University's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025 the University's portion of PERS-DC Retiree Medical plan was 6.020 percent which was an increase of 0.645 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024 the University's portion of PERS-DC Retiree Medical plan was 5.375 percent which was an increase of 0.712 percentage points from the University's portion measured as of June 30, 2023. At June 30, 2025 the University's portion of PERS-DC Occupational Death & Disability plan was 5.117 percent which was an increase of 0.538 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024 the University's portion of PERS-DC Occupational Death & Disability plan was 4.579 percent which was an increase of 0.564 percentage points from the University's portion measured as of June 30, 2023.

At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DC Retiree Medical plan from the following sources (\$ in thousands):

June 30, 2025			
	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference between expected and actual experience	\$ 71	\$ 312	
Difference between projected and actual investment earnings	39		
Change in assumptions	949	1,886	
Changes in proportion and differences between employer contributions	71	108	
Contributions subsequent to the measurement date	1,092		
Total	\$ 2,222	\$ 2,306	

At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DC Retiree Medical plan from the following sources (\$ in thousands):

June 30, 2024			
	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference between expected and actual experience	\$ 78	\$ 82	
Difference between projected and actual investment earnings	214	-	
Change in assumptions	274	2,076	
Changes in proportion and differences between employer contributions	97	32	
Contributions subsequent to the measurement date	1,166	-	
Total	\$ 1,829	\$ 2,190	

At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DC Occupational Death & Disability plan from the following sources (\$ in thousands):

June 30, 2025			
	Deferred Outflows of Resources		Deferred Inflows of Resources
Difference between expected and actual experience	\$	10	\$ 715
Change in assumptions		-	8
Changes in proportion and differences between employer contributions		3	450
Contributions subsequent to the measurement date		316	
Total	\$	329	\$ 1,173

At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DC Occupational Death & Disability plan from the following sources (\$ in thousands):

June 30, 2024			
	Deferred Outflows of Resources		Deferred Inflows of Resources
Difference between expected and actual experience	\$	-	\$ 660
Difference between projected and actual investment earnings		54	-
Change in assumptions		-	9
Changes in proportion and differences between employer contributions		4	344
Contributions subsequent to the measurement date		346	-
Total	\$	404	\$ 1,013

The contributions for the year ended June 30, 2025 of \$1,092,410 to the PERS-DC Retiree Medical plan and \$315,878 to the PERS-DC Occupational Death & Disability plan reported as deferred outflow of resources resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. The contributions for the year ended June 30, 2024 of \$1,165,805 to the PERS-DC Retiree Medical plan and \$346,279 to the PERS-DC Occupational Death & Disability plan reported as deferred outflow of resources resulting from the University contributions subsequent to the measurement date were recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to the PERS OPEB plans at June 30, 2025 will be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	PERS-DC RM	PERS-DC ODD
2026	\$ 725	\$ (175)
2027	(416)	(221)
2028	(295)	(194)
2029	(174)	(139)
thereafter	76	(116)

University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to the PERS OPEB plans at June 30, 2024 were projected to be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	PERS-DC RM	PERS-DC ODD
2025	\$ 515	\$ (91)
2026	9	(122)
2027	(377)	(150)
2028	(270)	(126)
thereafter	(238)	(120)

Sensitivity of the University's proportionate share of the net OPEB (asset) liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB (asset) liability calculated using the discount rate of 7.25 percent, as well as what the University's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (\$ in thousands):

June 30, 2025	Discount		
	1% Decrease	Rate	1% Increase
	6.25%	7.25%	8.25%
University's proportionate share of the net OPEB liability (asset) related to PERS-DC RM	\$ 486	\$ (2,806)	\$ (5,322)
University's proportionate share of the net OPEB liability (asset) related to PERS-DC ODD	\$ (2,869)	\$ (3,055)	\$ (3,200)

June 30, 2024	Discount		
	1% Decrease	Rate	1% Increase
	6.25%	7.25%	8.25%
University's proportionate share of the net OPEB liability (asset) related to PERS-DC RM	\$ (89)	\$ (2,552)	\$ (4,434)
University's proportionate share of the net OPEB liability (asset) related to PERS-DC ODD	\$ (2,207)	\$ (2,349)	\$ (2,460)

OPEB Plan Fiduciary Net Position. Detailed information about each of the OPEB plan's fiduciary net positions are available in separately issued PERS-DC-financial reports.

Each fiscal year, PERS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website <http://doa.alaska.gov/drb>.

State of Alaska Teachers' Retirement System -Defined Contribution (TRS-DC)

Plan Description

TRS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for teachers and other eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. TRS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in individual retirement accounts for the exclusive benefit of members or beneficiaries.

Funding Policy and Annual Pension Cost

The employee contribution rate is 8 percent and the employer effective contribution rate is 12.56 percent of covered payroll. For the years ended June 30, 2025 and 2024, the University's total covered payroll for the TRS-DC plan was approximately \$21.1 million and \$19.2 million, respectively. Contributions made by the University follows (\$ in thousands):

Years Ended June 30,	TRS-DC University Contributions		
	Postemployment		Total
	Pension	Healthcare	Contributions
2025	\$ 1,988	\$ 663	\$ 2,651
2024	\$ 1,757	\$ 655	\$ 2,412

On July 1, 2006, two pension trust sub-funds were created in TRS, the Retiree Major Medical Insurance (RMP) and Health Reimbursement Arrangement (HRA). The TRS Occupational Death and Disability (OD&D) trust sub-fund was created on July 1, 2007. RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. TRS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer contribution rates for fiscal years 2025 and 2024 were 0.68 and 0.82 percent, respectively, for medical coverage and 0.08 percent and 0.08 percent, respectively, for occupational death and disability benefit contributions. For fiscal years 2025 and 2024, the HRA employer contributions are \$198.90 and \$191.88 per month, respectively, for full time employees. For TRS part-time employees, the HRA rate is based on the contract percentage worked multiplied by the monthly rate. For example, a 70% employee paid monthly would have a contribution to the HRA of \$139.23 per monthly pay period (monthly HRA amount \$198.90 multiplied by 70%) for fiscal year 2025, and \$134.32 per monthly pay period (monthly HRA amount \$191.88 multiplied by 70%) for fiscal year 2024.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025, the University reported the following balances for its proportionate share of the net OPEB liabilities (assets) related to the TRS-DC Retiree Medical and Occupational Death & Disability plans (\$ in thousands):

	June 30, 2025	June 30, 2024
University's proportionate share of the net OPEB liability (asset) -		
TRS Retiree Medical	\$ (773)	\$ (685)
University's proportionate share of the net OPEB liability (asset) -		
TRS Occupational Death & Disability	(274)	(214)
Total	\$ (1,047)	\$ (899)

The University's proportion of the net OPEB (asset) liability was based on a projection of the University's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025 the University's portion of TRS-DC Retiree Medical plan was 3.437 percent which was an increase of 0.346 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024 the University's portion of TRS-DC Retiree Medical plan was 3.091 percent which was an increase of 0.463 percentage points from the University's portion measured as of June 30, 2023. At June 30, 2025 the University's portion of TRS-DC Occupational Death & Disability plan was 3.438 percent which was an increase of 0.349 percentage points from the University's portion measured as of June 30, 2024. At June 30, 2024 the University's portion of TRS-DC Occupational Death & Disability plan was 3.089 percent which was an increase of 0.463 percentage points from the University's portion measured as of June 30, 2023.

At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DC Retiree Medical plan from the following sources (\$ in thousands):

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 108	\$ 53
Difference between projected and actual investment earnings	11	-
Changes in assumptions	144	300
Changes in proportion and differences between employer contributions	3	111
Contributions subsequent to the measurement date	144	-
Total	\$ 410	\$ 464

At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DC Retiree Medical plan from the following sources (\$ in thousands):

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 119	\$ 24
Difference between projected and actual investment earnings	39	-
Changes in assumptions	28	330
Changes in proportion and differences between employer contributions	3	73
Contributions subsequent to the measurement date	157	-
Total	\$ 346	\$ 427

At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DC Occupational Death and Disability plan from the following sources (\$ in thousands):

June 30, 2025			
	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference between expected and actual experience	\$ -	\$ 44	
Difference between projected and actual investment earnings	1	-	
Changes in assumptions			
Changes in proportion and differences between employer contributions	3	47	
Contributions subsequent to the measurement date	17		
Total	\$ 21	\$ 91	

At June 30, 2024, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DC Occupational Death and Disability plan from the following sources (\$ in thousands):

June 30, 2024			
	Deferred Outflows of Resources	Deferred Inflows of Resources	
Difference between expected and actual experience	\$ -	\$ 34	
Difference between projected and actual investment earnings	4	-	
Changes in assumptions			
Changes in proportion and differences between employer contributions	3	35	
Contributions subsequent to the measurement date	15	-	
Total	\$ 22	\$ 69	

The contributions for the year ended June 30, 2025 of \$143,510 to the TRS-DC Retiree Medical plan and \$16,884 to the TRS-DC Occupational Death & Disability plan reported as deferred outflow of resources resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. The contributions for the year ended June 30, 2024 of \$157,462 to the TRS-DC Retiree Medical plan and \$15,362 to the TRS-DC Occupational Death & Disability plan reported as deferred outflow of resources resulting from the University contributions subsequent to the measurement date were recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DC OPEB plans at June 30, 2025 will be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	TRS-DC RM	TRS-DC ODD
2026	\$ 84	\$ (10)
2027	(56)	(16)
2028	(51)	(14)
2029	(23)	(13)
thereafter	(8)	(17)

University contributions and other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DC OPEB plans at June 30, 2024 were projected to be recognized in OPEB expense as follows (\$ in thousands):

Years Ending June 30,	TRS-DC RM	TRS-DC ODD
2025	\$ 48	\$ (7)
2026	10	(5)
2027	(48)	(11)
2028	(44)	(8)
thereafter	(46)	(15)

Sensitivity of the University's proportionate share of the net OPEB (asset) liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB (asset) liability calculated using the discount rate of 7.25 percent, as well as what the University's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate (\$ in thousands):

June 30, 2025	Discount		
	1% Decrease 6.25%	Rate 7.25%	1% Increase 8.25%
University's proportionate share of the net OPEB (asset) liability related to TRS-DC Retiree Medical	\$ (204)	\$ (773)	\$ (1,202)
University's proportionate share of the net OPEB (asset) liability related to TRS-DC ODD	\$ (275)	\$ (274)	\$ (273)
June 30, 2024	Discount		
	1% Decrease 6.25%	Rate 7.25%	1% Increase 8.25%
University's proportionate share of the net OPEB (asset) liability related to TRS-DC Retiree Medical	\$ (251)	\$ (685)	\$ (1,012)
University's proportionate share of the net OPEB (asset) liability related to TRS-DC ODD	\$ (214)	\$ (214)	\$ (213)

OPEB Plan Fiduciary Net Position. Detailed information about each of the OPEB plan's fiduciary net positions are available in separately issued TRS-DC-financial reports.

Each fiscal year, TRS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website <http://doa.alaska.gov/drb>.

University of Alaska Optional Retirement Plan - Defined Contribution (ORP)

Plan Description

The ORP is an employer funded defined contribution plan which operates in conjunction with a companion mandatory tax-deferred annuity plan. The ORP is comprised of three layers of participants: the original ORP or ORP Tier 1 which was created for participants hired prior to July 1, 2005, ORP Tier 2 which was created for participants hired between July 1, 2005 and June 30, 2006, and ORP Tier 3 which was created for participants hired on or after July 1, 2006. For ORP Tier 1 and ORP Tier 2, faculty classified as regular and certain administrators made a one-time election to participate in the ORP as an alternative to participation in the defined benefit plans, PERS-DB or TRS-DB. The ORP Tier 2 plan was available for new ORP benefit-eligible employees hired in fiscal year 2006. As of July 1, 2006, the ORP Tier 2 plan was no longer available to newly-hired ORP benefit-eligible employees. For ORP Tier 3, each new eligible employee was able to make a one-time election to participate in the University of Alaska Retirement Program (includes ORP Tier 3 and the University of Alaska Pension Plan) as an alternative to participation in the State of Alaska defined contribution plans, PERS-DC or TRS-DC. Beginning July 1, 2015, the ORP was closed to new hired regular staff, but is still available for faculty and certain administrators.

Funding Policy and Annual Pension Cost

University contributions are remitted to the plan's authorized employee-selected annuity providers or investment managers. The contribution rates and amounts for fiscal years 2025 and 2024 were as follows (\$ in thousands):

	<u>ORP Tier 1</u>		<u>ORP Tier 2</u>		<u>ORP Tier 3</u>	
	2025	2024	2025	2024	2025	2024
Employee Contribution Rates	8.65%	8.65%	8.65%	8.65%	8.00%	8.00%
University Contribution Rates	14.00%	14.00%	12.00%	12.00%	12.00%	12.00%
Covered Payroll	\$23,309	\$24,190	\$ 2,241	\$ 2,258	\$ 113,461	\$ 110,087
University Contributions	\$ 3,263	\$ 3,387	\$ 269	\$ 271	\$ 13,615	\$ 13,210

Plan Assets

At June 30, 2025 and 2024, plan assets (participants' accounts attributable to employer contributions) for ORP Tier 1, Tier 2 and Tier 3 had a net value of \$549.5 million and \$508.1 million, respectively. ORP Tier 1 and ORP Tier 2 participants are 100 percent vested at all times. University contributions for ORP Tier 3 participants are 100 percent vested after three years of service.

University of Alaska Pension Plan (Pension)

Plan Description

In addition to the other retirement plans, substantially all regular employees (hired before July 1, 2006) and certain faculty classified as temporary, participate in the Pension plan which was established January 1, 1982, when the University withdrew from the federal social security program. Eligible employees, hired on or after July 1, 2006, who elected to participate in the University of Alaska Retirement Program also participate in the Pension plan.

Funding Policy and Annual Pension Cost

For fiscal years 2025 and 2024, employer contributions for regular employees was 7.65 percent of covered wages up to \$52,000. For certain faculty classified as temporary, the employer contributions were 7.65 percent of covered wages up to \$176,100 and \$168,600 for fiscal years 2025 and 2024, respectively. The plan provides for employer contributions to be invested in accordance with participant-directed investment elections. Participants hired before July 1, 2006 are 100 percent vested at all times. University contributions for participants hired on or after July 1, 2006 are 100 percent vested after three years of service. Regular staff hired on or after July 1, 2015 are also 100 percent vested after three years of service of the employer contributions of the pension plan.

Plan Assets

In fiscal years 2025 and 2024, the University's total covered payroll for the Pension plan was \$217.0 million and \$217.2 million, respectively. The University's gross costs to fund and administer the plan totaled \$16.6 million and \$16.6 million for the years ended June 30, 2025 and 2024, respectively. At June 30, 2025 and 2024, plan assets (participants' accounts) had a net value of \$608.8 million and \$556.9 million, respectively.

13. Insurance and Risk Management

The University is exposed to a wide variety of risks including property loss, bodily and personal injury, intellectual property, errors and omissions, cyber threats, and aviation and marine exposures. These risks are managed through a combination of self-insurance and commercial insurance.

The University is self-insured up to \$2.0 million per occurrence for casualty claims and retains a \$250,000 minimum for property claims. Commercial insurance covers coverage amounts beyond these limits. Health care, Alaska workers' compensation and unemployment claims are fully self-insured. Liabilities have been established through actuarial analysis to cover estimates for both reported and unreported losses based upon past experience modified for current trends, along with projected costs for investigating and settling claims. No settled claims have exceeded coverage limits in the past three years.

Changes in applicable self-insured liability amounts follow (\$ in thousands):

	Balance			Balance
	July 1, 2024	Provision for Claims	Claims Payments	June 30, 2025
Health	\$ 6,894	\$ 76,062	\$ (75,354)	\$ 7,602
General liability	4,406	535	(407)	4,535
Workers' compensation	3,424	889	(1,278)	3,035
Unemployment	29	224	(205)	48
	\$ 14,753	\$ 77,710	\$ (77,244)	\$ 15,220

	Balance			Balance
	July 1, 2023	Provision for Claims	Claims Payments	June 30, 2024
Health	\$ 6,073	\$ 74,116	\$ (73,295)	\$ 6,894
General liability	5,919	(1,513)	-	4,406
Workers' compensation	3,436	1,400	(1,412)	3,424
Unemployment	42	130	(143)	29
	\$ 15,470	\$ 74,133	\$ (74,850)	\$ 14,753

14. Commitments and Contingencies

Amounts received and expended by the University under various federal and state grants, contracts and other programs are subject to audit and potential disallowance. From time to time the University is named as a defendant in legal proceedings or cited in regulatory actions related to the conduct of its operations.

In the normal course of business, the University also has various other commitments and contingent liabilities which are not reflected in the accompanying financial statements. In the opinion of management, the University will not be affected materially by the final outcome of any of these proceedings, or insufficient information exists to make an opinion.

The University has evaluated the requirements of GASB Statement No. 102 and has determined that no disclosures are necessary.

15. University of Alaska Foundation

The University of Alaska Foundation (Foundation) is a legally separate, nonprofit organization formed in 1974 to solicit donations for the exclusive benefit of the University of Alaska. During the fiscal years 2025 and 2024, the University transferred \$1.0 million and \$0.5 million for general support, respectively. For the same periods, the Foundation reimbursed the University for operating expenses totaling \$7.0 million and \$5.9 million, respectively.

For the years ended June 30, 2025 and 2024, distributions and expenditures by the Foundation for the benefit of the University totaled \$26.5 million and \$31.9 million, of which \$26.3 million and \$31.5 million were direct reimbursements to the University, respectively. Additionally, the University had a receivable from the Foundation of \$1.1 million and \$0.9 million at June 30, 2025 and 2024, respectively, primarily for unreimbursed operating expenses and expenditures incurred on Foundation awards made to the University.

The investable resources of the University's Land Grant Endowment Trust Fund and the Foundation's pooled endowment funds are combined into a Consolidated Endowment Fund for investment purposes. At June 30, 2025 and 2024, the fair value of the fund was \$538.0 million and \$499.8 million, respectively. The University's share of this fund was \$194.0 million and \$182.8 million, respectively, which is reflected in endowment investments.

The fund is managed by the Foundation's investment committee on a total return basis in accordance with an investment policy approved by the Board of Regents. The net assets and related activity for the University's Land Grant Endowment Trust and Inflation Proofing Funds' investment in the fund is reflected in the University's financial statements.

On June 17, 2013, the Foundation entered into a partnership agreement with Cambridge Associates, LLC to form the University of Alaska Foundation Consolidated Endowment Fund, L.P. (the partnership) and assume management of the fund effective July 1, 2013. The partnership is a single investor fund with Cambridge Associates, LLC serving as general partner, and the University of Alaska Foundation serving as the sole limited partner. This relationship does not affect the ownership of units in the Consolidated Endowment Fund by the University or the Foundation. Effective July 1, 2013, all assets of the fund were transferred to the partnership. The investment committee of the Foundation has retained authority for setting investment policy, guidelines and philosophy, and approving asset allocation targets and benchmarks. Under the restructuring plan for the fund, the general partner has been delegated discretionary authority by the investment committee for manager selection and termination, management of cash flows to and from investments of the partnership, due diligence on underlying managers and investments, and performance reporting.

The financial statements of Foundation may be obtained by writing to University of Alaska Foundation, P.O. Box 755080, Fairbanks, Alaska 99775 or by calling (907) 450-8030.

16. Functional and Natural Expense Classifications

The University's operating expenses by functional and natural classification for fiscal years 2025 and 2024 were as follows (\$ in thousands):

FY 2025	Compensation & Benefits	Contractual Services	Materials	Other	Student Aid	Depreciation and Amortization	Total
Instruction	163,031	16,126	6,988	(153)	-	-	\$ 185,992
Academic support	60,551	7,075	5,572	32	-	-	73,230
Research	135,373	69,966	15,379	(569)	-	-	220,149
Public service	45,573	23,840	3,036	1,750	-	-	74,199
Student services	47,066	12,107	2,959	(15)	-	-	62,117
Operations and maintenance	38,264	27,835	22,136	(1,980)	-	-	86,255
Institutional support	103,016	24,441	4,118	(235)	-	-	131,340
Student aid	-	-	-	-	34,057	-	34,057
Auxiliary enterprises	12,907	22,296	4,486	(108)	-	-	39,581
Depreciation and amortization	-	-	-	-	-	102,594	102,594
State on-behalf payments	-	-	-	23,658	-	-	23,658
Total	\$ 605,781	\$ 203,686	\$ 64,674	\$ 22,380	\$ 34,057	\$ 102,594	\$ 1,033,172

FY 2024	Compensation & Benefits	Contractual Services	Materials	Other	Student Aid	Depreciation and Amortization	Total
Instruction	152,984	17,153	7,501	279	-	-	\$ 177,917
Academic support	48,639	7,614	6,282	72	-	-	62,607
Research	117,717	70,611	14,906	242	-	-	203,476
Public service	38,673	23,024	2,286	1,217	-	-	65,200
Student services	42,469	10,872	3,161	125	-	-	56,627
Operations and maintenance	31,848	29,261	18,381	395	-	-	79,885
Institutional support	89,051	26,852	2,412	1,165	-	-	119,480
Student aid	-	-	-	-	28,454	-	28,454
Auxiliary enterprises	11,453	21,425	5,180	1,085	-	-	39,143
Depreciation and amortization	-	-	-	-	-	100,989	100,989
State on-behalf payments	-	-	-	4,725	-	-	4,725
Total	\$ 532,834	\$ 206,812	\$ 60,109	\$ 9,305	\$ 28,454	\$ 100,989	\$ 938,503

17. Subsequent Events

The University evaluated subsequent events through October 24, 2025, the date the financial statements were available to be issued. In July 2025, the University completed a bond refunding through the Alaska Municipal Bond Authority. The transaction retired portions of the outstanding General Revenue Bonds and CPA Lease Revenue Bonds through the issuance of a new General Obligation Refunding Bond. Following the refunding, total outstanding debt principal was \$228.8 million. The refunding resulted in gross debt service savings of \$11.0 million and net present value savings of \$8.3 million. The AFHC note payable was not included in the refunding.

SUPPLEMENTAL INFORMATION

Schedule of the University's Proportionate Share of the Net Pension Liability

PERS-DB PENSION PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
University's proportion of net pension liability	4.476%	4.121%	4.038%	4.491%	3.734%	3.757%	3.945%	3.579%	4.247%	4.162%
University's proportionate share of the net pension liability	\$ 245,502	\$ 213,663	\$ 205,817	\$ 164,763	\$ 220,350	\$ 205,670	\$ 196,025	\$ 185,021	\$ 237,381	\$ 201,845
State's proportionate share of the net pension liability associated with the University	\$ 91,797	\$ 71,230	\$ 56,963	\$ 22,320	\$ 91,182	\$ 81,669	\$ 56,774	\$ 68,931	\$ 29,912	\$ 54,062
Total	\$ 337,299	\$ 284,893	\$ 262,780	\$ 187,083	\$ 311,532	\$ 287,339	\$ 252,799	\$ 253,952	\$ 267,293	\$ 255,907
University's covered employee payroll	\$ 55,480	\$ 57,134	\$ 56,461	\$ 57,053	\$ 67,763	\$ 74,955	\$ 80,537	\$ 91,917	\$ 84,191	\$ 90,340
University's proportionate share of the net pension liability as of percentage of its covered payroll	442.5%	374.0%	364.5%	288.8%	325.2%	274.4%	243.4%	201.3%	282.0%	223.4%
Plan fiduciary net position as a percentage of the total pension liability	67.8%	68.2%	68.0%	76.5%	61.6%	63.0%	65.0%	63.4%	59.6%	64.0%

Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015.

Schedule of the University's Proportionate Share of the Net OPEB Liability

PERS-DB OPEB PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
University's proportion of net OPEB liability	4.485%	4.112%	4.010%	4.510%	3.733%	3.757%	3.944%	3.579%
University's proportionate share of the net OPEB liability (asset)	\$ (98,774)	\$ (94,606)	\$ (78,911)	\$ (115,703)	\$ (16,903)	\$ 5,575	\$ 40,478	\$ 30,239
State's proportionate share of the net OPEB liability (asset) associated with the University	\$ (36,689)	\$ (31,844)	\$ (22,555)	\$ (15,153)	\$ (7,012)	\$ 2,217	\$ 11,750	\$ 11,274
Total	\$(135,463)	\$(126,450)	\$(101,466)	\$(130,856)	\$ (23,915)	7,792	52,228	41,513
University's covered employee payroll	\$ 55,480	\$ 57,341	\$ 56,461	\$ 57,053	\$ 67,763	\$ 74,955	\$ 80,537	\$ 91,917
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	7.4%	50.3%	32.9%
Plan fiduciary net position as a percentage of the total OPEB liability	130.6%	134.0%	128.5%	135.5%	106.2%	98.1%	88.1%	89.7%

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Proportionate Share of the Net OPEB Liability

PERS-DC OCCIDENTAL DEATH & DISABILITY PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
University's proportion of OPEB liability	5.117%	4.579%	4.015%	3.532%	3.077%	3.066%	3.147%	2.598%
University's proportionate share of the net OPEB liability (asset)	\$ (3,055)	\$ (2,349)	\$ (1,760)	\$ (1,557)	\$ (838)	\$ (743)	\$ (611)	\$ (369)
University's covered employee payroll	\$ 131,616	\$ 115,426	\$ 92,575	\$ 71,924	\$ 60,330	\$ 53,317	\$ 47,150	\$ 35,779
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	346.8%	349.3%	348.8%	374.2%	283.8%	297.4%	270.6%	213.0%

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Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017

Schedule of the University's Proportionate Share of the Net OPEB Liability

PERS-DC RETIREE MEDICAL PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
University's proportion of OPEB liability	6.020%	5.375%	4.660%	4.103%	3.764%	3.765%	3.147%	2.598%
University's proportionate share of the net OPEB liability (asset)	\$ (2,806)	\$ (2,552)	\$ (1,619)	\$ (1,101)	\$ 267	\$ 901	\$ 400	\$ 135
University's covered employee payroll	\$ 131,616	\$ 115,426	\$ 92,575	\$ 71,924	\$ 60,330	\$ 53,317	\$ 47,150	\$ 35,779
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.4%	1.7%	0.8%	0.4%
Plan fiduciary net position as a percentage of the total OPEB liability	119.9%	124.3%	120.0%	115.1%	95.2%	83.2%	88.7%	94.0%

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Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017

Schedule of the University's Proportionate Share of the Net Pension Liability

TRS-DB PENSION PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
University's proportion of net pension liability	1.452%	1.389%	1.543%	1.927%	1.417%	1.603%	1.675%	1.612%	2.139%	2.025%
University's proportionate share of the net pension liability	\$ 26,861	\$ 24,430	\$ 25,728	\$ 15,339	\$ 28,801	\$ 29,951	\$ 32,065	\$ 32,661	\$ 48,846	\$ 37,680
State's proportionate share of the net pension liability associated with the University	\$ 46,171	\$ 38,611	\$ 34,287	\$ 13,019	\$ 49,978	\$ 44,422	\$ 47,669	\$ 56,996	\$ 58,055	\$ 60,230
Total	\$ 73,032	\$ 63,041	\$ 60,015	\$ 28,358	\$ 78,779	\$ 74,373	\$ 79,734	\$ 89,657	\$ 106,901	\$ 97,910
University's covered employee payroll	\$ 11,609	\$ 13,424	\$ 14,268	\$ 15,231	\$ 16,049	\$ 18,249	\$ 20,625	\$ 22,128	\$ 25,212	\$ 27,848
University's proportionate share of the net pension liability as of percentage of its covered payroll	231.4%	182.0%	180.3%	100.7%	179.5%	164.1%	155.5%	147.6%	193.7%	135.3%
Plan fiduciary net position as a percentage of the total pension liability	77.1%	77.6%	78.3%	89.4%	72.8%	74.7%	74.1%	72.4%	68.4%	73.8%

Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015

Schedule of the University's Proportionate Share of Net OPEB Liability

TRS-DB OPEB PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
University's proportion of net OPEB liability	1.507%	1.430%	1.574%	2.003%	1.413%	1.600%	1.671%	1.606%
University's proportionate share of the net OPEB liability (asset)	\$ (15,034)	\$ (14,446)	\$ (13,800)	\$ (23,285)	\$ (5,054)	\$ (2,445)	\$ 5,196	\$ 2,955
State's proportionate share of the net OPEB liability (asset) associated with the University	\$ (24,356)	\$ (21,791)	\$ (17,752)	\$ (18,134)	\$ (8,807)	\$ (3,638)	\$ 7,755	\$ 5,182
Total	\$ (39,390)	\$ (36,237)	\$ (31,552)	\$ (41,419)	\$ (13,861)	\$ (6,083)	\$ 12,951	\$ 8,137
University's covered employee payroll	\$ 11,609	\$ 13,424	\$ 14,268	\$ 15,231	\$ 16,049	\$ 18,249	\$ 20,625	\$ 22,128
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	25.2%	13.4%
Plan fiduciary net position as a percentage of the total OPEB liability	137.4%	140.5%	134.8%	145.4%	113.8%	105.5%	90.2%	93.8%

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Schedule of the University's Proportionate Share of the Net OPEB Liability

TRS-DC OCCIDENTAL DEATH & DISABILITY PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
University's proportion of OPEB liability	3.438%	3.089%	2.626%	2.463%	2.295%	2.465%	2.280%	2.296%
University's proportionate share of the net OPEB liability (asset)	\$ (274)	\$ (214)	\$ (159)	\$ (150)	\$ (99)	\$ (99)	\$ (80)	\$ (75)
University's covered employee payroll	\$ 21,104	\$ 19,203	\$ 15,966	\$ 12,831	\$ 11,145	\$ 9,766	\$ 9,653	\$ 8,200
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	1600.6%	1410.4%	1268.3%	1254.4%	931.1%	1409.8%	1304.8%	1342.5%

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Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017

Schedule of the University's Proportionate Share of the Net OPEB Liability

TRS-DC RETIREE MEDICAL PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
University's proportion of OPEB liability	3.437%	3.091%	2.628%	2.468%	2.300%	2.462%	2.280%	2.296%
University's proportionate share of the net OPEB liability (asset)	\$ (773)	\$ (685)	\$ (509)	\$ (496)	\$ (227)	\$ (94)	\$ (73)	\$ (109)
University's covered employee payroll	\$ 21,104	\$ 19,203	\$ 15,966	\$ 12,831	\$ 11,145	\$ 9,766	\$ 9,653	\$ 8,200
University's proportionate share of the net pension liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	134.7%	140.7%	140.7%	142.5%	126.0%	110.0%	109.6%	118.2%

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Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution

PERS-DB PENSION PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 12,206	\$ 12,570	\$ 12,421	\$ 8,866	\$ 9,873	\$ 11,783	\$ 13,022	\$ 15,736	\$ 15,082	\$ 13,699
Contributions in relation to the statutorily required contribution	\$ 12,206	\$ 12,570	\$ 12,421	\$ 8,866	\$ 9,873	\$ 11,783	\$ 13,022	\$ 15,736	\$ 15,082	\$ 13,699
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 55,480	\$ 57,134	\$ 56,461	\$ 57,053	\$ 67,763	\$ 74,955	\$ 80,537	\$ 91,917	\$ 84,191	\$ 90,340
Contribution as a percentage of covered- University payroll	22.0%	22.0%	22.0%	15.5%	14.6%	15.7%	16.2%	17.1%	17.9%	15.2%

Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015.

Schedule of the University's Contribution

PERS-DB OPEB PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ -	\$ -	\$ -	\$ 3,686	\$ 5,035	\$ 4,707	\$ 4,695	\$ 4,486
Contributions in relation to the statutorily required contribution	\$ -	\$ -	\$ -	\$ 3,686	\$ 5,035	\$ 4,707	\$ 4,695	\$ 4,486
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 55,480	\$ 57,134	\$ 56,461	\$ 57,053	\$ 67,763	\$ 74,955	\$ 80,537	\$ 91,917
Contribution as a percentage of covered-University payroll	0.0%	0.0%	0.0%	6.5%	7.4%	6.3%	5.8%	4.9%

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Schedule of the University's Contribution

PERS-DC OCCIDENTAL DEATH & DISABILITY PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 316	\$ 346	\$ 278	\$ 223	\$ 187	\$ 139	\$ 123	\$ 57
Contributions in relation to the statutorily required contribution	\$ 316	\$ 346	\$ 278	\$ 223	\$ 187	\$ 139	\$ 123	\$ 57
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 131,616	\$ 115,426	\$ 92,575	\$ 71,924	\$ 60,330	\$ 53,317	\$ 47,150	\$ 35,779
Contribution as a percentage of covered-University payroll	0.24%	0.30%	0.30%	0.31%	0.31%	0.26%	0.26%	0.16%

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Schedule of the University's Contribution

PERS-DC RETIREE MEDICAL PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 1,092	\$ 1,166	\$ 1,018	\$ 770	\$ 766	\$ 704	\$ 443	\$ 369
Contributions in relation to the statutorily required contribution	\$ 1,092	\$ 1,166	\$ 1,018	\$ 770	\$ 766	\$ 704	\$ 443	\$ 369
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 131,616	\$ 115,426	\$ 92,575	\$ 71,924	\$ 60,330	\$ 53,317	\$ 47,150	\$ 35,779
Contribution as a percentage of covered-University payroll	0.83%	1.01%	1.10%	1.07%	1.27%	1.32%	0.94%	1.03%

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Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution

TRS-DB PENSION PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 1,458	\$ 1,686	\$ 1,792	\$ 923	\$ 907	\$ 1,465	\$ 1,735	\$ 1,859	\$ 1,911	\$ 2,011
Contributions in relation to the statutorily required contribution	\$ 1,458	\$ 1,686	\$ 1,792	\$ 923	\$ 907	\$ 1,465	\$ 1,735	\$ 1,859	\$ 1,911	\$ 2,011
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 11,609	\$ 13,424	\$ 14,268	\$ 15,231	\$ 16,049	\$ 18,249	\$ 20,625	\$ 22,128	\$ 25,212	\$ 27,848
Contribution as a percentage of covered-University payroll	12.6%	12.6%	12.6%	6.1%	5.7%	8.0%	8.4%	8.4%	7.6%	7.2%

Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015.

Schedule of the University's Contribution

TRS-DB OPEB PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ -	\$ -	\$ -	\$ 990	\$ 1,109	\$ 827	\$ 856	\$ 921
Contributions in relation to the statutorily required contribution	\$ -	\$ -	\$ -	\$ 990	\$ 1,109	\$ 827	\$ 856	\$ 921
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 11,609	\$ 13,424	\$ 14,268	\$ 15,231	\$ 16,049	\$ 18,249	\$ 20,625	\$ 22,128
Contribution as a percentage of covered-University payroll	0.0%	0.0%	0.0%	6.5%	6.9%	4.5%	4.2%	4.2%

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Schedule of the University's Contribution

TRS-DC OCCIDENTAL DEATH & DISABILITY PLAN

Last 10 Fiscal Years
In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 17	\$ 15	\$ 13	\$ 10	\$ 9	\$ 8	\$ 8	-
Contributions in relation to the statutorily required contribution	\$ 17	\$ 15	\$ 13	\$ 10	\$ 9	\$ 8	\$ 8	-
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
University's covered employee payroll	\$ 21,104	\$ 19,203	\$ 15,966	\$ 12,831	\$ 11,145	\$ 9,766	\$ 9,654	\$ 8,200
Contribution as a percentage of covered-University payroll	0%	0%	0%	0%	0%	0%	0%	0%

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Data reported is measured as of July 1, 2024, 2023, 2022, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution

TRS-DC RETIREE MEDICAL PLAN

Last 10 Fiscal Years

In Thousands

	2025	2024	2023	2022	2021	2020	2019	2018
Statutorily required contribution	\$ 144	\$ 157	\$ 139	\$ 107	\$ 104	\$ 106	\$ 76	\$ 75
Contributions in relation to the statutorily required contribution	\$ 144	\$ 157	\$ 139	\$ 107	\$ 104	\$ 106	\$ 76	\$ 75
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered employee payroll	\$ 21,104	\$ 19,203	\$ 15,966	\$ 12,831	\$ 11,145	\$ 9,766	\$ 9,654	\$ 8,200
Contribution as a percentage of covered-University payroll	0.7%	0.8%	0.9%	0.8%	0.9%	1.1%	0.8%	0.9%

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