University of Southern Indiana

Annual Financial Report

July 1, 2025 – June 30, 2026

UNIVERSITY OF SOUTHERN INDIANA®

Financial Report Overview

- Basis of presentation
- Financial statements
  - Statement of Net Position
  - Statement of Revenues, Expenses, and Changes in Net Position
  - Statement of Cash Flows
- Exclusions
  - USI Foundation
  - VEBA Trust

Condensed Statement of Net Position

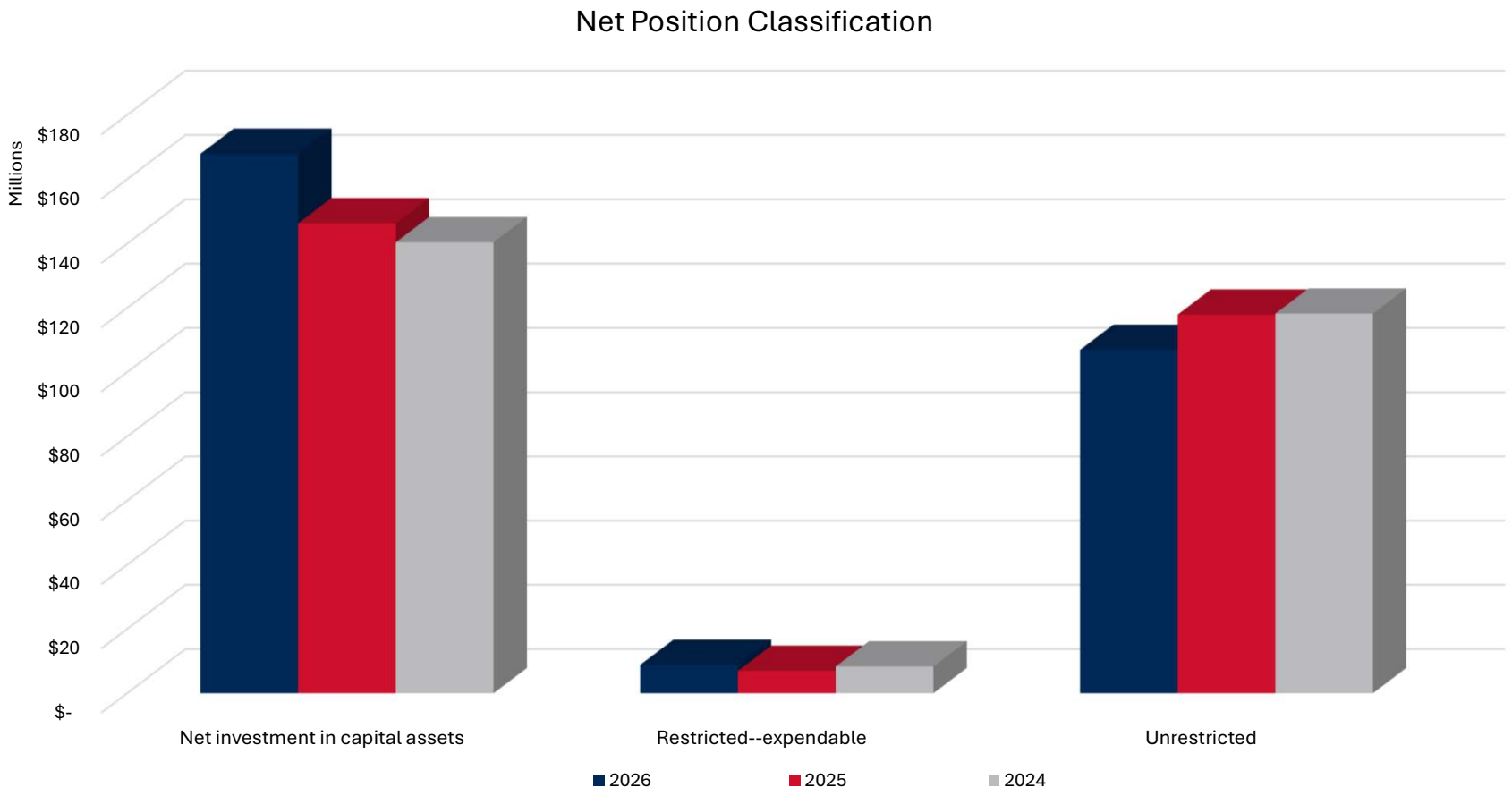
Year Ended June 30 (in thousands)	2026	2025	2024
Current Assets	$ 43,632	$ 54,847	$ 65,785
Noncurrent Assets:			
Capital assets, net of depreciation	246,133	229,167	223,495
Other non-current	118,849	116,619	114,943
Total Assets	**$ 408,614**	**$ 400,633**	**$ 404,223**
Total Deferred Outflow of Resources	**$ 1,701**	**$ 3,782**	**$ 6,547**
Current Liabilities	$ 37,566	$ 35,539	$ 33,823
Noncurrent Liabilities	82,146	92,395	104,127
Total Liabilities	**$ 119,712**	**$ 127,934**	**$ 137,950**
Total Deferred Inflow of Resources	**$ 6,876**	**$ 5,240**	**$ 5,836**
Total Net Position	**$ 283,727**	**$ 271,241**	**$ 266,984**

Assets

	2026	2025	2024
Current Assets			
Cash and cash equivalents	$ 19,789,439	$ 28,881,331	$ 29,869,081
Short-term investments	9,301,806	10,736,576	20,378,817
Accounts receivable, net	9,626,494	10,569,957	11,240,653
Inventories	497,914	526,913	493,376
Other current assets	4,416,093	4,132,411	3,803,462
Total current assets	$ 43,631,746	$ 54,847,188	$ 65,785,389
Noncurrent Assets			
Cash equivalent - Deposit with bond trustee	$ 3,012,332	$ 9,443,339	$ 20,492,661
Long-term investments	97,069,799	93,660,542	80,113,507
Due from the State of Indiana	7,446,642	-	-
Net OPEB asset	6,189,470	6,950,001	8,285,312
Subscription assets, net	4,780,709	6,151,183	5,543,955
Leased assets, net	350,419	413,843	507,209
Capital assets, net	246,133,067	229,167,403	223,494,780
Total noncurrent assets	$ 364,982,438	$ 345,786,311	$ 338,437,424
Total Assets	**$ 408,614,184**	**$ 400,633,499**	**$ 404,222,813**

Liabilities

	2026	2025	2024
Current Liabilities			
Accounts payable and accrued liabilities	$ 6,796,130	$ 3,652,157	$ 3,024,689
Accrued payroll, benefits, and deductions	7,180,712	7,758,788	7,747,310
Bonds payable	8,380,403	11,022,037	11,739,718
Leases and subscriptions payable	2,035,715	2,409,050	1,933,519
Debt interest payable	710,251	792,938	882,424
Unearned revenue	12,127,895	8,265,627	8,292,763
Other current liabilities	334,710	1,639,203	202,046
Total current liabilities	$ 37,565,816	$ 35,539,800	$ 33,822,469
Noncurrent Liabilities			
Bonds payable	$ 72,708,951	$ 81,079,354	$ 92,101,391
Leases and subscriptions payable	1,919,624	2,874,042	2,837,970
Derivative instruments--interest rate swap	11,182	28,173	28,469
Compensated absences and termination benefits	3,308,244	3,140,671	3,382,795
Net pension liability	4,171,823	5,258,823	4,754,719
Other noncurrent liabilities	26,806	13,507	1,021,983
Total noncurrent liabilities	$ 82,146,630	$ 92,394,570	$ 104,127,327
Total Liabilities	**$ 119,712,446**	**$ 127,934,370**	**$ 137,949,796**


Net Position Classification
Millions
$180
$160
$140
$120
$100
$80
$60
$40
$20
$-
Net investment in capital assets
Restricted--expendable
Unrestricted
2026
2025
2024

Condensed Statement of Revenues, Expenses, and Changes in Net Position

Year Ended June 30 (in thousands)	2026	2025	2024
Operating revenues	$95,382	$93,335	$90,816
Operating expenses	182,826	177,212	168,022
Operating loss	**($87,444)**	**($83,877)**	**($77,206)**
Noncapital subsidies	68,885	73,158	73,142
Operating loss & noncapital subsidies	**($18,559)**	**($10,719)**	**($4,064)**
Non-operating revenues (expenses), net	31,045	15,541	7,708
Increase in net position	**$12,486**	**$4,822**	**$3,644**
Net position—beginning of year	$271,241	$266,984	$264,460
Prior period adjustment		(565)	(1,120)
Net position—end of year	**$283,727**	**$271,241**	**$266,984**

Operating Revenues

	2026	2025	2024
Student fees	$ 80,319,410	$ 78,271,409	$ 76,116,668
Scholarship discounts and allowances	(34,449,322)	(34,872,747)	(31,110,311)
Grants and contracts	24,856,673	27,501,049	24,705,675
Auxiliary enterprises	25,356,985	24,296,887	22,046,383
Room and board discounts and allowances	(4,459,670)	(5,056,228)	(4,068,131)
Other operating revenues	3,758,111	3,194,645	3,125,372
Total operating revenues	$ 95,382,187	$ 93,335,015	$ 90,815,656

Operating Expenses

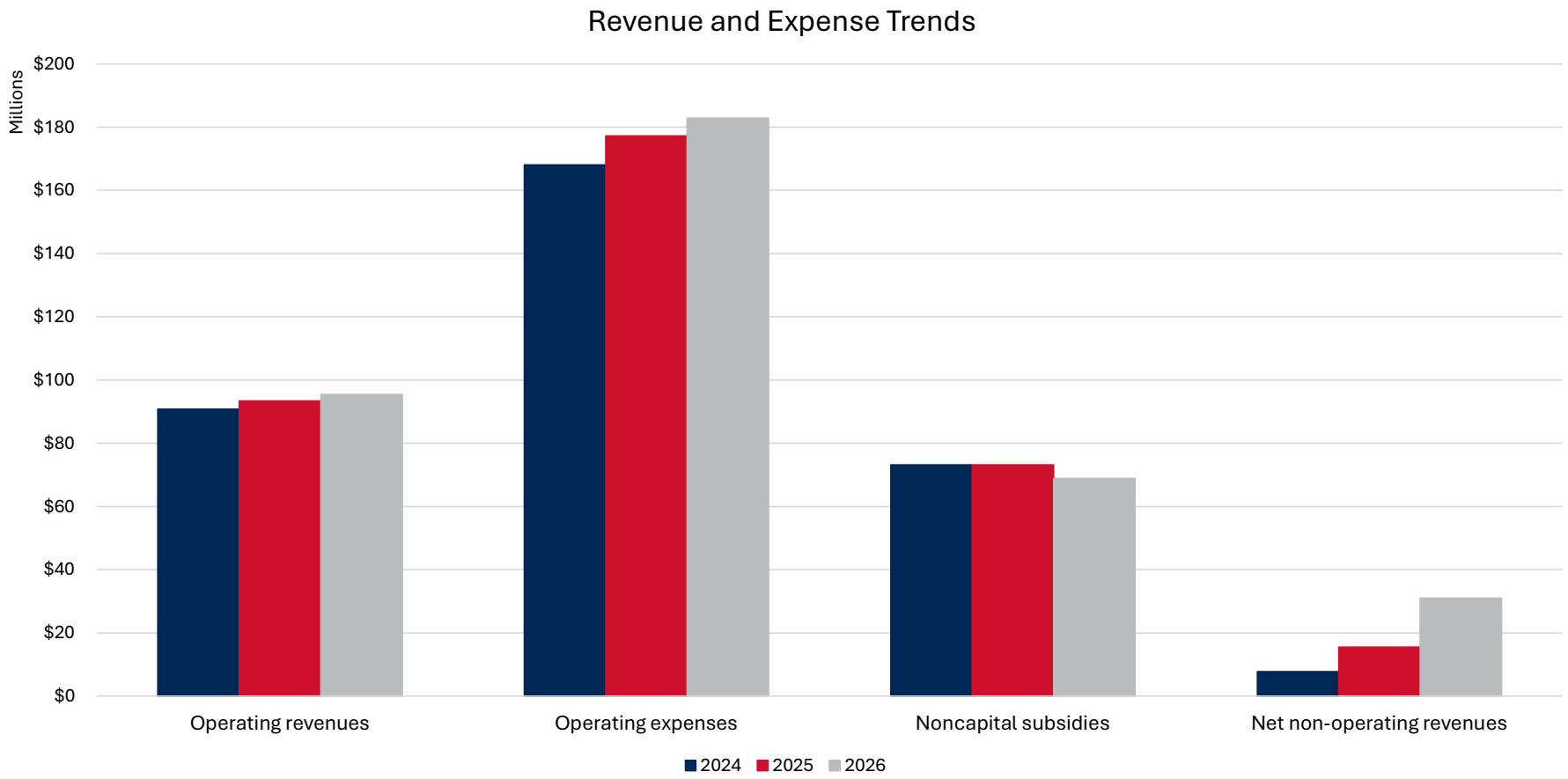
	2026	2025	2024
Salaries and wages	$ 69,641,382	$ 67,338,838	$ 65,102,838
Benefits	30,116,644	27,814,941	26,260,445
Other postemployment benefits (OPEB)	4,114,675	3,166,700	(694,224)
Student financial aid	3,754,091	4,267,734	3,804,632
Utilities	7,438,180	6,619,885	6,013,415
Supplies and other services	49,133,741	50,045,839	50,391,825
Depreciation and amortization	18,627,196	17,958,262	17,142,950
Total operating expenses	$ 182,825,909	$ 177,212,199	$ 168,021,881

Noncapital Subsidies

	2026	2025	2024
State appropriations	$ 61,948,646	$ 67,750,597	$ 67,044,723
Gifts	6,811,165	5,282,838	5,972,087
Nongovernmental grants and contracts	125,000	125,000	125,000
Total noncapital subsidies	$ 68,884,811	$ 73,158,435	$ 73,141,810
Operating loss & noncapital subsidies	(18,558,911)	(10,718,749)	(4,064,415)

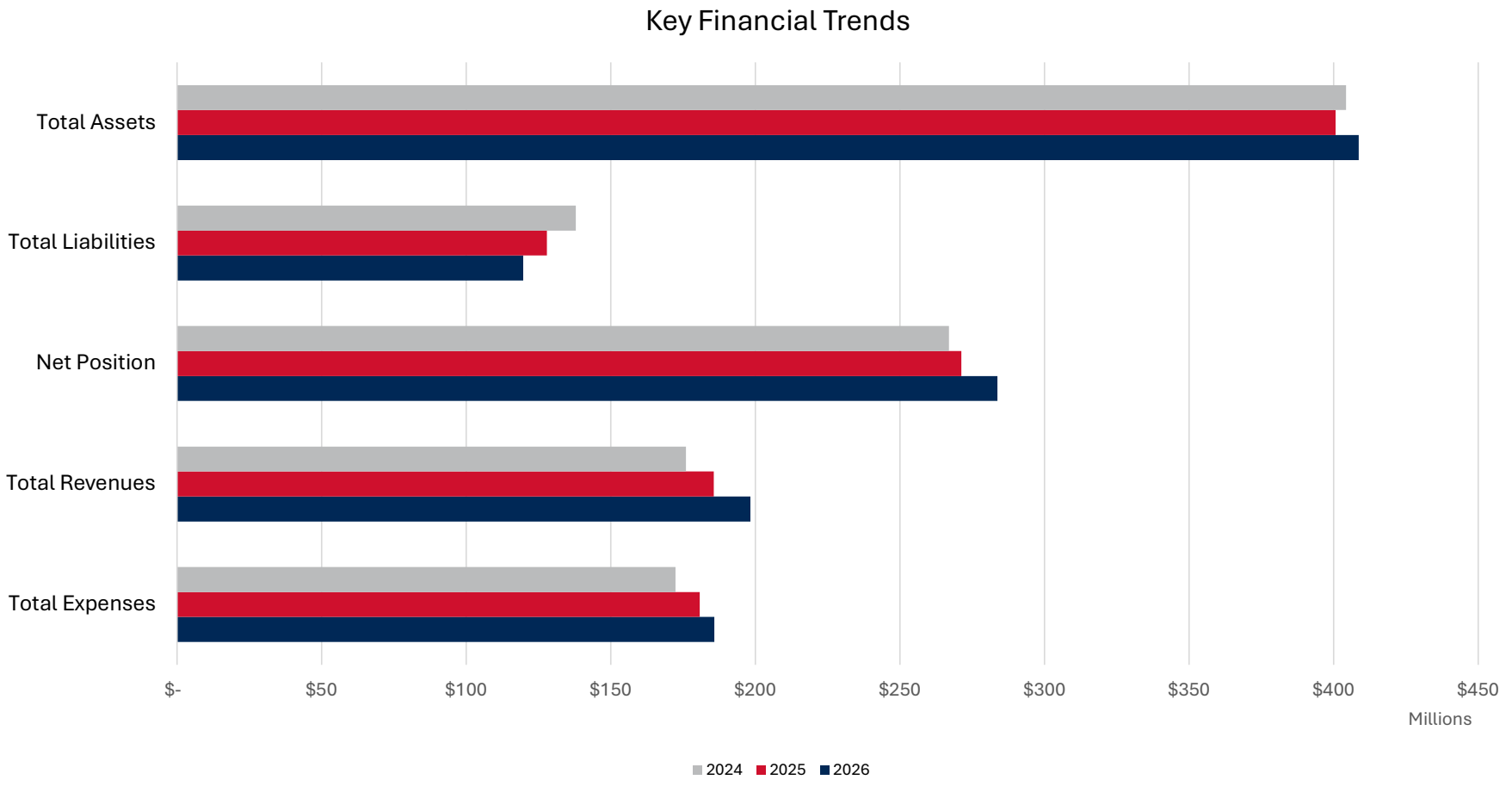
Non-operating Revenues (Expenses)

	2026	2025	2024
Investment income, net of investment expense	$ 4,595,088	$ 8,543,497	$ 7,236,150
Interest on capital asset related debt	(2,749,418)	(3,393,728)	(4,353,088)
Other non-operating expenses	(253,477)	(165,971)	5,116
Capital appropriations	27,847,078	10,182,333	3,856,126
Capital gifts	1,604,924	374,143	964,465
Net non-operating revenues	$ 31,044,195	$ 15,540,274	$ 7,708,769


Revenue and Expense Trends
Millions
$200
$180
$160
$140
$120
$100
$80
$60
$40
$20
$0
Operating revenues
Operating expenses
Noncapital subsidies
Net non-operating revenues
2024
2025
2026

Statement of Cash Flows

Year Ended June 30 (in thousands)	2026	2025	2024
Net Cash Provided (Used) By			
Operating activities	$ (82,997)	$ (89,084)	$ (85,822)
Noncapital financing activities	92,502	100,468	94,805
Capital financing activities	(27,620)	(27,975)	(43,255)
Investing activities	2,592	4,554	17,881
Net Increase (Decrease) in Cash	**$ (15,523)**	**$ (12,037)**	**$ (16,391)**
Beginning Cash and Cash Equivalents	38,325	50,362	66,753
Ending Cash and Cash Equivalents	**$ 22,802**	**$ 38,325**	**$ 50,362**


Key Financial Trends
Total Assets
Total Liabilities
Net Position
Total Revenues
Total Expenses
$-
$50
$100
$150
$200
$250
$300
$350
$400
$450
Millions
2024
2025
2026

2025-26 Fiscal Year Summary

- Total assets increased by $8.0 million
- Total liabilities decreased by $8.2 million
- Total revenues increased by $12.7 million
- Total expenses increased by $5.1 million
- **Net position increased by $12.5 million**