

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION**

**FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2025



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**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
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YEAR ENDED JUNE 30, 2025**

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INDEPENDENT AUDITORS' REPORT

Council of Trustees
Millersville University of Pennsylvania
of the State System of Higher Education
Millersville, Pennsylvania

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 Millersville University of Pennsylvania of the State System of Higher Education (the University), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the 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 the University as of June 30, 2025, 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 the discretely presented component unit, Millersville University Foundation, which represents 100%, 100%, and 100%, respectively, of the 2025 assets, net position, and revenues of the discretely presented component unit. 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 discretely presented component unit, 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). 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 the University and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The financial statements of the University are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of the business-type activities and the discretely presented component unit that are attributable to the transactions of the University. The University is one of 10 universities and the System Office of the Pennsylvania State System of Higher Education (the System). These financial statements do not purport to, and do not, present fairly the financial position of the System, as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

Council of Trustees
Millersville University of Pennsylvania
of the State System of Higher Education

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 and the Schedules of Proportionate Share of Net Pension Liability and Contributions, OPEB Liability, and Proportionate Share of Net OPEB Liability and Contributions as listed in the table of contents 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

King of Prussia, Pennsylvania
October 29, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

(Unaudited)

Management's Discussion and Analysis (MD&A) is intended to provide an overview of the financial position and operating results of Millersville University of Pennsylvania (the University) for the year ended June 30, 2025, as compared to the year ended June 30, 2024. The information included in this MD&A is presented within the context of the audited financial statements that follow and should be read in conjunction with the entirety of the audited financial statements and accompanying notes.

Millersville University is a public university of the Commonwealth of Pennsylvania and is one of the ten member institutions on June 30, 2025, comprising the Pennsylvania State System of Higher Education (State System, or PASSHE), the purpose of which is to provide high quality education at the lowest possible cost to its students. While each institution operates independently, all fall under the governance umbrella of the State System and is subject to the State System's oversight and requirements, while benefiting from certain shared services and administrative support.

Financial Highlights

The University continues to be mission focused on affordable higher education, as well as the intellectual and social development of its students in preparing them to, not only obtain gainful employment, but to make a difference as they go out into the world. While the University continues to be financially stable, there are pressures that continue to make this challenging as discussed in more detail in the future economics section below.

The primary challenge over the past several years has been enrollment. However, for the fiscal year ended June 30, 2025, overall enrollment has increased slightly. It is important to note that growth is the result of increased graduate and online enrollment while traditional undergraduate enrollments have continued to decline. The PASSHE Board of Governors has not allowed tuition increases for any university in the State System since fiscal year 2019, seeking to hold the cost of attendance level for all new and currently enrolled students. Costs to attract students, through more substantial levels of financial aid and the need for student services continued to increase. Other costs are also increasing, particularly as relates to salaries and benefits as driven by the various collective bargaining agreements within the State System, the University's portion of state retirement defined benefits plan and other post-retirement costs.

As reflected in the audited financial statements, total assets and liabilities have remained consistent year over year, with most notable changes in payment of debt service and reductions of pension, OPEB and compensated absences liability. Additionally, there were significant changes from last year to this year presented in the audited financial statements related to the University's portion of the system's pension liability as well as liabilities for and compensated absences. For both assets and liabilities, the deferred outflows and inflows of resources decreased from the prior fiscal year.

All bonds held by the University are issued through the Pennsylvania State System of Higher Education. In February 2025, Moody's Investors Service, Inc. maintained the State System's bond rating of Aa3 and stable outlook. The stable outlook reflects Moody's expectations that continued successful execution of the system redesign initiative will enhance prospects for sustainability and aligning expense structures to anticipated enrollment levels. The outlook also reflects expectations of continued strong liquidity, growing Commonwealth financial support and steady declines in bonded debt. At the same time, Moody's maintained the State System's Environmental, Social, and Governance (ESG) and Credit Impact Scores (CIS) of CIS-3. CIS-3 reflects the State System's elevated exposure to social risks, including weak demographics and highly competitive market conditions, while strong fiscal management and robust strategic planning frameworks partly mitigates

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

(Unaudited)

its exposure to ESG risks. In February 2025, Fitch Ratings reviewed the State System's rating of A+ with stable outlook, and no rating change was made.

Total operating revenues were \$105.8 million in fiscal year 2024-25 representing a 2.3% decrease compared to \$108.3 million in fiscal year 2023-24. Of this total, tuition, and fee revenue (net of discounts) was \$48.2 million for fiscal year 2024-25 and \$55.9 for fiscal year 2023-24. The reduction is mostly due to return to flat rate tuition for undergraduate in state students. Revenue from auxiliary operations was \$33.3 million for fiscal year 2024-25 and \$32.5 million for fiscal year 2023-24, a 2.5% increase as a result an increase in dining meal plan rates of 5.0%, favorable conference sales and the addition of Chick fil A in March.

The overall change in net position from both operating and non-operating activities for fiscal year 2025 is \$18.3 million. Net tuition and fees were reduced, mostly related as mentioned above to the return to flat rate tuition. However, there continues to be enrollment challenges as well as increased institutional financial aid obligations. Non-operating revenues for fiscal year 2025 reflect an increase in state appropriations, investment income, Pell grants and gifts offset by other non-operating revenues for an increase of \$2.4 million. Overall revenues decreased to \$177.5 million from \$180.7 million in fiscal year 2025. In fiscal year 2023, the University received Coronavirus State and Local Fiscal Recovery Funds (CSFRF) funds in the amount of \$9.1 million and utilized \$2.3 million in fiscal year 2023, \$4.4 million in fiscal year 2024 and an additional \$2.2 million in fiscal year 2025 per guidance issued from PASSHE. The remaining \$254,000 has been deferred for use in fiscal year 2026.

Operating expenditures decreased \$1.1 million largely in part due to required budget reductions and internal controls to monitor spending from March 1st through year-end. Auxiliary operations expenditures increased substantially, mostly due to changes in the compensation expenses related to unfunded liabilities. Additionally, the University faced financial aid pressures in offering higher scholarship levels to attract students, resulting in increased expenses for institutional aid. Interest expense remained relatively stable at \$4.2 million in fiscal year 2025 and \$4.5 million in fiscal year 2024. Overall total expenses ended at \$159.2 million.

The Financial Statements

Balance Sheet (Statement of Net Position)

The adoption of various Governmental Accounting Statements Board (GASB) pronouncements in recent years continues to be impactful as noted below:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* (adopted in fiscal year 2015) requires the University to report its share of the pension liability that the State Employees Retirement System (SERS) and Public School Employees Retirement System (PSERS). These liabilities totaled \$74.2 million as of June 30, 2025 and \$81.2 million as of June 30, 2024.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (adopted in fiscal year 2018) requires the University to report its share of the post-employment benefits other than pensions (OPEB) for the following plans: State System Plan (SSHE Plan), Commonwealth Retired Employees Health Program (REHP Plan), and PSERS Healthcare Premium Assistance Program (PSERS OPEB Plan). On June 30, 2025, this liability totaled \$95.3 million, down \$4.7 million from the prior fiscal year-end.

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

GASB issued Statement No. 87, *Leases*, effective for reporting periods beginning after June 15, 2021. This pronouncement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right of use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right of use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources for all leases with lease terms greater than twelve months. The adoption of this statement resulted in the recognition of lease related assets, liabilities, and deferred inflows of resources beginning with the financial statement for the fiscal year ended June 30, 2021 restated.

Assets and Deferred Outflows of Resources

As of June 30, 2025, total assets, including deferred outflow of resources of \$23.5 million totaled \$314.0 million. Exclusive of the shift in deferred outflow of resources (consumption of net position that applies to future periods), current and other non-current assets remained consistent over the two-year period. Net capital assets saw the largest variance from prior year of \$10.1 million, mostly attributable to increases in depreciation.

	2025	2024
ASSETS AND DEFERRED OUTFLOWS		
OF RESOURCES		
Current Assets	\$ 73,222,472	\$ 74,704,198
Noncurrent Assets:		
Capital Assets, Net	202,863,936	212,962,481
Other Noncurrent Assets	<u>14,470,652</u>	<u>13,614,982</u>
Total Assets	<u>290,557,060</u>	<u>301,281,661</u>
Deferred Outflows of Resources	<u>23,459,326</u>	<u>29,772,674</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 314,016,386</u>	<u>\$ 331,054,335</u>

Liabilities and Deferred Inflows of Resources

On June 30, 2025, current liabilities of \$33.3 million were lower than the prior year at \$35.8. The differences in the liabilities for post-employment benefits and compensated absences are a result of the recognition of the University's portion of the state pension liability. These liabilities are the product of annual actuarial calculations and change from year to year based on many factors and actuarial assumptions.

The long-term debt decreased from the prior year by \$9.4 million, the result of more than \$8.8 million in principal payments and the classification of the current portion of bonds payable reflected in current liabilities offset by increases in other long-term liabilities of \$600,000. There were no new bond issuances during fiscal year 2025.

Total liabilities prior to consideration of deferred inflows decreased by \$25.7 million from the prior year. With consideration of the deferred inflows (acquisition of net position that applies to future periods, reports the deferred gain on bond defeasance and certain items associated with the net pension liability and annual pension expense) of \$55.3 million, total liabilities decreased by \$32.8 million to \$371.5 million.

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

	2025	2024
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current Liabilities	\$ 33,290,877	\$ 35,783,034
Noncurrent Liabilities:		
OPEB and Compensated Absences	95,285,958	100,017,173
Pension Liability	74,154,999	81,221,291
Long-Term Debt	144,204,473	155,176,050
Other Noncurrent Liabilities	2,480,170	2,906,986
Total Liabilities	<u>349,416,477</u>	<u>375,104,534</u>
Deferred Inflows of Resources	55,346,971	64,979,004
Total Liabilities and Deferred Inflows	<u>404,763,448</u>	<u>440,083,538</u>

Net Position

The net position of the University increased by \$18.3 million in fiscal year 2024-25.

NET POSITION		
Net Investment in Capital Assets	43,726,011	42,688,850
Total Restricted	34,741,645	32,184,733
Unrestricted	<u>(169,214,718)</u>	<u>(183,902,786)</u>
Total Net Position	<u>(90,747,062)</u>	<u>(109,029,203)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	<u>\$ 314,016,386</u>	<u>\$ 331,054,335</u>

Net investment in capital assets is the cost of land, buildings, improvements, equipment, furnishings, and library books, net of accumulated depreciation and less any associated debt such as bonds payable. This balance is not available for the University's use in ongoing operations since the underlying assets would have to be sold in order to use the balance to pay current or long-term obligations which is prohibited.

Restricted net position represents the balances of funds received from the state, donors, or grantors who have placed restrictions on the purpose for which the funds must be spent. Nonexpendable restricted net position represents corpuses of endowments and similar arrangements in which only the associated investment income can be spent. Expendable restricted net position is available for expenditure as long as any external purpose and time restrictions are met.

Unrestricted net position includes all other funds - both the current and plant funds - that can be used to finance day-to-day operations without constraints. This total increased from (\$183.9 million) on June 30, 2024, to (\$169.2 million) on June 30, 2025. The negative position of these funds is the result of three unfunded liabilities: a) postretirement benefits which are funded as they come due; b) similarly compensated absences are funded as they come due; and c) the pensions liability is funded annually based on required contributions to the State Employees Retirement System and the Public School Employees Retirement System.

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

Statement of Revenues, Expenses, and Changes in Net Position

Revenues

Overall operating revenues decreased for fiscal year 2025 as compared to fiscal year 2024 by \$2.5 million. Net tuition and fees were significantly reduced as a result of the institutions return to flat rate tuition, offset by increased general fees. Increases in governmental grants and contracts and auxiliary operations assisted in offsetting the reduced tuition and fee operating revenues.

Nonoperating revenues for fiscal year 2025 were \$2.4 million more than fiscal year 2024. This is a result of state appropriations increasing \$2.2 million in fiscal year 2025, Pell grant increases of \$3.0 million and the continuation of the one-time CSFRF funds to support institutional aid of certain criteria. Other revenues related to capital funding, including CSFRF project funding that did not repeat from prior year, decreased by \$3.1 million.

The combination of operating and non-operating activity resulted in Income/(Loss) Before Other Revenues of \$15.1 million in fiscal year 2025 and \$13.8 million in fiscal year 2024. Capital revenues of \$3.2 million in fiscal year 2025 and \$6.3 million in fiscal year 2024 yielded Changes in Net Position gains of \$18.3 million and \$20.2 million, respectively. The University's net position across all fund categories at the end of fiscal year 2025 was (\$90.7 million).

	2025	2024
OPERATING REVENUES		
Tuition and Fees, Net	\$ 48,223,788	\$ 55,873,279
Governmental Grants and Contracts	19,929,137	15,649,201
Sales and Services	3,147,886	3,081,130
Auxiliary Enterprises, Net	33,299,743	32,493,021
Other Revenues, Net	1,159,726	1,206,080
Total Operating Revenues	<u>105,760,280</u>	<u>108,302,711</u>
NONOPERATING REVENUES		
State Appropriations, General and Restricted	46,950,049	44,730,780
Pell Grants	11,499,083	8,545,328
Gifts for Other Than Capital Purposes	3,513,242	2,654,902
Investment Income, Net	4,615,664	5,177,567
Loss on Disposal of Assets	(1,001,590)	(34,265)
Other Nonoperating Revenue	2,990,789	5,055,921
Total Nonoperating Revenues	<u>68,567,237</u>	<u>66,130,233</u>
OTHER REVENUES		
State Appropriations, Capital	1,705,688	1,571,996
Capital Gifts and Grants	1,478,489	4,740,877
Total Other Revenues	<u>3,184,177</u>	<u>6,312,873</u>
Total Revenues	<u><u>\$ 177,511,694</u></u>	<u><u>\$ 180,745,817</u></u>

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

Expenses

Operating expenses for fiscal year 2025 ended \$1.1 million less than fiscal year 2024. A significant factor is the continued monitoring of spending in the second half of the fiscal year as well as effects from budget reductions implemented. Depreciation expense slightly increased from fiscal year 2024 to 2025 with interest expense remaining relatively static.

	2025	2024
OPERATING EXPENSES		
Instruction	\$ 52,098,881	\$ 52,911,113
Research	936,931	437,775
Public Service	7,778,581	7,416,782
Academic Support	10,537,771	11,739,734
Student Services	17,228,136	17,526,324
Institutional Support	24,411,004	23,718,371
Operations and Maintenance of Plant	2,579,813	4,595,058
Depreciation and Amortization	17,183,779	16,588,974
Student Aid	2,159,793	5,752,880
Auxiliary Enterprises	<u>20,146,360</u>	<u>15,429,794</u>
Total Operating Expenses	<u>155,061,049</u>	<u>156,116,805</u>
NONOPERATING EXPENSES		
Interest Expense on Capital Asset-Related Debt	<u>4,168,504</u>	<u>4,467,600</u>
Total Expenses	<u><u>\$ 159,229,553</u></u>	<u><u>\$ 160,584,405</u></u>

Change in Net Position

The change in net position, the difference between total revenues and total expenditures, for fiscal year 2025 was \$18.3 million, improving the overall net financial position of the University.

	2025	2024
CHANGE IN NET POSITION		
Net Position - Beginning of Year	<u>\$ 18,282,141</u>	<u>\$ 20,161,412</u>
NET POSITION - END OF YEAR	<u><u>(109,029,203)</u></u>	<u><u>(129,190,615)</u></u>
	<u><u>\$ (90,747,062)</u></u>	<u><u>\$ (109,029,203)</u></u>

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2025
(Unaudited)

Statement of Cash Flows

Cash decreased by \$2.5 million in fiscal year 2025 as a result of Enhanced Sick Leave Payout incentives for APSCUF faculty and additional monies owed for FY 2023-24 health care costs. Cash used by operating activities (\$48.5 million), and cash used by capital financing activities (\$20.0 million), were offset by inflows from noncapital financing activities of \$62.3 million. Investing activities provided \$3.7 million in cash.

	2025	2024
Cash Flows from Operating Activities	\$ (48,538,402)	\$ (47,394,593)
Cash Flows from Noncapital Financing Activities	62,252,930	56,103,680
Cash Flows from Capital Financing Activities	(19,990,645)	(18,330,426)
Cash Flows from Investing Activities	<u>3,735,890</u>	<u>3,908,195</u>
Net Decrease in Cash and Cash Equivalents	(2,540,227)	(5,713,144)
Cash and Cash Equivalents--Beginning	<u>64,875,210</u>	<u>70,588,354</u>
Cash and Cash Equivalents--Ending	<u>\$ 62,334,983</u>	<u>\$ 64,875,210</u>

Future Economic Factors

Several conditions could limit the University's financial flexibility in fiscal year 2025-2026 and beyond:

State Appropriations – Fiscal year 2025 appropriations increased \$2.2 million, about 5.0%, over fiscal year 2024. Fiscal year 2026 is expected to be flat to 2025 in appropriation dollars. Additionally, as the state remains in a budget impasse, resulting in the delay of any appropriation dollars being received by the university as of October 2025. Pennsylvania still remains near the bottom of all states for its state funding levels per student and dependent upon financial pressures on state government the future of state support remains unclear.

State System Universities Consolidation – As of July 1, 2022, the State System combined six institutions into two: California, Clarion, and Edinboro into Penn West University; and Bloomsburg, Lock Haven, and Mansfield into Commonwealth University. This resulted in the need for special state appropriations consideration for these two new universities. There will be continued interest in both the success resulting in the combination of these respective institutions as well as future appropriations needs for them as compared to the other PASSHE institutions.

Enrollment – Projections indicate high school graduates in Pennsylvania would spike in 2025 followed by significant declines. This will continue to add enrollment pressures for the University in competing with both public and private institutions for a smaller group of students and will require a continued focus in being more strategic in the areas of recruitment, retention, and program development. Enrollment management has discontinued collaborations with Ruffalo Noel Levitz after less than favorable results. Focus remains on graduate, online, international and other non-traditional students to assist in enrollment growth. Fall 2025 saw growth in graduate and online degree seekers with slight decreases in undergraduate traditional students. Despite the shifts, enrollment overall continues to remain stable.

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2025

(Unaudited)

Compensation Costs – Most of the employees within the State System, including faculty, are a part of respective collective bargaining units with multi-year contracts negotiated at the state level. Since these annual salary and benefit increases are not directly tied to the institutional growth or contraction, they become a mandated costs that must be funded at the expense of other non-personnel areas.

The factors mentioned above will impact the financial flexibility of the University over the next several years. To mitigate the impacts, the university will utilize planning and continuous analysis with a focus on enrollment, right sizing the institution, effectively managing position vacancies, implementing operational efficiencies and controlling funds availability. For fiscal year 2025, all divisions were required to reduce their personnel and/or operating expenses by 10% to ensure financial stability and work to further strengthen the University.

Facilities – While the campus buildings are maintained appropriately, the aging of certain structures and the need for modernization, including new facilities, to provide educational and experiential expenses for students continues to be a challenge. The campus master plan identifies a number of these needs, but funding for such is the primary challenge. There is continuous work with state officials in this area, which has resulted in significant funding for current and future projects. The same is true for fundraising efforts for specific facilities. Lastly, funded by PASSHE, the University has participated in a space optimization study to ensure that physical spaces are used effectively and efficiently to meet the goals and needs of the University. The results of the study are expected during the fall of fiscal year 2025 and will start the implementation process in 2026.

Request for Information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Dr. Nafez Alyan
Vice President for Finance & Administration
Biemesderfer Center
Millersville University
Millersville, PA 17551

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF NET POSITION — PRIMARY INSTITUTION
JUNE 30, 2025**

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

CURRENT ASSETS

Cash and Cash Equivalents	\$ 62,334,983
Accounts Receivable:	
Governmental Grants and Contracts	1,366,254
Students, Net of Allowance for Doubtful Accounts of \$2,162,070	5,389,479
Other, Net of Allowance for Doubtful Accounts of \$20,541	1,081,263
Interest Income Receivable	117,253
Inventory	60,625
Prepaid Expenses	788,987
Loans Receivable, Net of Allowance for Doubtful Accounts	32,651
Current Portion of Leases Receivable	46,996
Due from Component Units	1,150,269
Other Assets	<u>853,712</u>
Total Current Assets	73,222,472

NONCURRENT ASSETS

Investments	4,859,695
Beneficial Interests	9,517,355
Loans Receivable, Net of Current Portion	45,935
Leases Receivable, Net of Current Portion	47,667
Capital Assets, Net	<u>202,863,936</u>
Total Noncurrent Assets	<u>217,334,588</u>
Total Assets	290,557,060

DEFERRED OUTFLOWS OF RESOURCES

Unamortized Loss on Refunding of Debt	84,437
Deferred Outflows from SERS Contributions	11,678,540
Deferred Outflows from PSERS Contributions	988,906
Deferred Outflows from OPEB Contributions	<u>10,707,443</u>
Total Deferred Outflows of Resources	<u>23,459,326</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 314,016,386</u>

See accompanying Notes to Financial Statements.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF NET POSITION — PRIMARY INSTITUTION (CONTINUED)
JUNE 30, 2025**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES,
AND NET POSITION**

CURRENT LIABILITIES

Accounts Payable and Accrued Expenses	\$ 12,270,707
Unearned Revenue	2,301,457
Students' Deposits	949,195
Workers' Compensation, Current	311,099
Compensated Absences, Current	932,747
Other Postemployment Benefits Liability, Current	3,829,231
Current Portion of Lease Liabilities	1,097,715
Current Portion of Financed Purchases	620,844
Current Portion of Bonds Payable, Net	9,024,405
Current Portion of Subscription Liabilities	1,657,265
Due to System, Academic Facilities Renovation Bond Program (AFRP)	50,078
Other Current Liabilities	246,134
Total Current Liabilities	33,290,877

NONCURRENT LIABILITIES

Workers' Compensation, Net of Current Portion	202,575
Compensated Absences, Net of Current Portion	9,004,394
Other Postemployment Benefits Liability, Net of Current Portion	86,281,564
Net Pension Liability	74,154,999
Long-Term Portion of Lease Liabilities	1,882,462
Long-Term Portion of Subscription Liabilities	1,659,667
Long-Term Portion of Financed Purchases	1,488,161
Bonds Payable, Net of Current Portion	139,121,398
Due to System, AFRP	52,785
Other Noncurrent Liabilities	2,277,595
Total Noncurrent Liabilities	316,125,600
 Total Liabilities	 349,416,477

DEFERRED INFLOWS OF RESOURCES

Unamortized Gain on Refunding of Debt	225,090
Deferred Inflows from SERS Contributions	3,090,290
Deferred Inflows from PSERS Contributions	150,943
Deferred Inflows from OPEB Contributions	51,791,683
Deferred Inflows from Leases Receivable	88,965
Total Deferred Inflows of Resources	55,346,971
 Total Liabilities and Deferred Inflows of Resources	 404,763,448

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF NET POSITION — PRIMARY INSTITUTION (CONTINUED)
JUNE 30, 2025**

NET POSITION (DEFICIT)

Net Investment in Capital Assets	\$ 43,726,011
Restricted for:	
Nonexpendable:	
Scholarships and Fellowships	2,505,656
Other	840,894
Expendable:	
Scholarships and Fellowships	9,530,247
Capital Projects	11,978,526
Other	9,886,322
Unrestricted	<u>(169,214,718)</u>
Total Net Position (Deficit)	<u>(90,747,062)</u>
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 <u>\$ 314,016,386</u>

See accompanying Notes to Financial Statements.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION — PRIMARY INSTITUTION
YEAR ENDED JUNE 30, 2025**

OPERATING REVENUES

Tuition and Fees	\$ 75,697,002
Less: Scholarship Discounts and Allowances	(27,473,214)
Net Tuition and Fees	<u>48,223,788</u>
Governmental Grants and Contracts:	
Federal	8,446,846
State	11,482,291
Nongovernmental Grants and Contracts:	149,610
Sales and Services of Educational Departments	3,147,886
Auxiliary Enterprises, Net	33,299,743
Other Revenues	<u>1,010,116</u>
Total Operating Revenues	<u>105,760,280</u>

OPERATING EXPENSES

Instruction	52,098,881
Research	936,931
Public Service	7,778,581
Academic Support	10,537,771
Student Services	17,228,136
Institutional Support	24,411,004
Operations and Maintenance of Plant	2,579,813
Depreciation and Amortization	17,183,779
Student Aid	2,159,793
Auxiliary Enterprises	<u>20,146,360</u>
Total Operating Expenses	<u>155,061,049</u>

NET OPERATING LOSS

(49,300,769)

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION — PRIMARY INSTITUTION (CONTINUED)
YEAR ENDED JUNE 30, 2025**

NONOPERATING REVENUES (EXPENSES)

State Appropriations, General and Restricted	\$ 46,950,049
Federal and State Appropriation - COVID	2,176,328
Commonwealth on Behalf Contributions to PSERS	519,058
Pell Grants	11,499,083
Investment Income, Net of Related Investment Expense of \$15,979	3,744,193
Unrealized Gain on Investments	871,471
Gifts for Other than Capital Purposes	3,513,242
Interest Expense	(4,168,504)
Loss on Disposal of Assets	(1,001,590)
Other Nonoperating Revenue	295,403
Nonoperating Revenues, Net	<u>64,398,733</u>

INCOME BEFORE OTHER REVENUES

15,097,964

OTHER REVENUES

State Appropriations, Capital	1,705,688
Capital Gifts and Grants	1,478,489
Total Other Revenues	<u>3,184,177</u>

INCREASE IN NET POSITION

18,282,141

Net Position (Deficit) - Beginning of Year

(109,029,203)

NET POSITION (DEFICIT) - END OF YEAR

\$ (90,747,062)

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF CASH FLOWS — PRIMARY INSTITUTION
YEAR ENDED JUNE 30, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and Fees	\$ 48,272,377
Grants and Contracts	19,435,505
Payments to Suppliers for Goods and Services	(37,658,349)
Payments to Employees	(112,753,815)
Loans Collected from Students	15,871
Student Aid	(2,159,793)
Auxiliary Enterprise Charges	33,280,824
Sales and Services of Educational Departments	2,910,433
Other Payments	118,545
PLUS, Stafford, and Other Loans Receipts (Non-Perkins)	43,590,167
PLUS, Stafford, and Other Loans Disbursements (Non-Perkins)	(43,590,167)
Net Cash Used by Operating Activities	<u>(48,538,402)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State Appropriations, Including Federal ARRA	46,950,049
Gifts and Nonoperating Grants for Other than Capital Purposes	15,012,326
Agency Transactions	(4,848)
Other	<u>295,403</u>
Net Cash Provided by Noncapital Financing Activities	<u>62,252,930</u>

CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES

Capital Appropriations	1,705,688
Capital Gifts and Grants Received	1,478,488
Proceeds from Sale of Capital Assets	231,156
Purchases of Capital Assets	(5,739,999)
Principal Paid on Debt, Leases and Subscriptions	(12,876,072)
Interest Paid on Debt, Leases and Subscriptions	(4,789,906)
Net Cash Used by Capital Financing Activities	<u>(19,990,645)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest Income	3,735,890
Net Cash Provided by Investing Activities	<u>3,735,890</u>

DECREASE IN CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents - Beginning of Year	<u>64,875,210</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 62,334,983</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF CASH FLOWS — PRIMARY INSTITUTION (CONTINUED)
YEAR ENDED JUNE 30, 2025**

RECONCILIATION OF OPERATING LOSS TO NET CASH

USED BY OPERATING ACTIVITIES

Operating Loss	\$ (49,300,769)
Adjustments to Reconcile Operating Loss to Net Cash	
Used by Operating Activities:	
Depreciation and Amortization Expense	17,183,779
Expenses Paid by Commonwealth	519,058
Effect of Changes in Operating Assets, Deferred Outflows,	
Receivables, Net	57,562
Lease Rental Receivable	(12,159)
Inventory	1,763
Prepaid Expenses and Other Assets	(1,097,437)
Accounts Payable and Accrued Expenses	1,041,820
Unearned Revenue	(983,717)
Students' Deposits	74,724
Compensated Absences	541,235
Loans Receivable	15,871
Postretirement Benefit Obligations	(5,623,866)
Net Pension Liability	(7,066,292)
Deferred Outflows of Resources Related to Pensions	4,910,465
Deferred Outflows of Resources Related to OPEB	1,361,523
Deferred Inflows of Resources Related to Pensions	(1,510,540)
Deferred Inflows of Resources Related to OPEB	(8,071,282)
Deferred Inflows of Resources Related to Leases	10,594
Other Current and Noncurrent Liabilities	(590,734)
Net Cash Used by Operating Activities	<u><u>\$ (48,538,402)</u></u>

SUPPLEMENTAL DISCLOSURES OF NONCASH CAPITAL

FINANCING ACTIVITIES

Capital Assets Acquired by Notes Payable (Financed Purchase)	<u><u>\$ 741,359</u></u>
Capital Assets Acquired by New ROU Leases	<u><u>\$ (977,725)</u></u>
Capital Assets Acquired by New Subscription Agreements	<u><u>\$ 2,814,346</u></u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF FINANCIAL POSITION — COMPONENT UNIT
JUNE 30, 2025**

ASSETS

Cash and Cash Equivalents	\$ 3,189,370
Investments	71,272,359
Accounts Receivable	129,912
Pledges Receivable	399,858
Other Assets	2,659
Total Assets	<u>\$ 74,994,158</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts Payable	\$ 29,300
Annuity Liabilities	92,927
Other Liabilities	3,678,336
Total Liabilities	<u>3,800,563</u>

NET ASSETS

Without Donor Restrictions	1,117,977
With Donor Restrictions	70,075,618
Total Net Assets	<u>71,193,595</u>
Total Liabilities and Net Assets	<u>\$ 74,994,158</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
STATEMENT OF ACTIVITIES — COMPONENT UNIT
YEAR ENDED JUNE 30, 2025**

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Revenues and Other Additions:

Contributions	\$ 493,922
Investment Income	(149,142)
Other Revenues and Gains	(633)
Net Assets Released from Restrictions	<u>2,368,000</u>
Total Revenues and Other Additions	2,712,147

Expenses and Other Deductions:

Program Services:

Scholarships and Grants	1,855,811
Management and General	411,642
Fundraising	375,783
Total Expenses and Other Deductions	<u>2,643,236</u>

Changes in Net Assets Without Donor Restrictions	68,911
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CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Contributions	3,299,409
Investment Income	7,515,870
Net Realized and Unrealized Gains (Losses)	(14,074)
Other Expenses and Losses	<u>(2,368,000)</u>
Changes in Net Assets With Donor Restrictions	8,433,205

CHANGE IN TOTAL NET ASSETS

Net Assets - Beginning of Year	<u>62,691,479</u>
NET ASSETS - END OF YEAR	<u>\$ 71,193,595</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
EXPENSES BY NATURE AND FUNCTION — COMPONENT UNIT
YEAR ENDED JUNE 30, 2025**

<u>Natural Expense</u>	Program Activities		Supporting Activities			Total Expenses
	Scholarships and Grants	Total Programs	Management and General	Fundraising	Total Supporting	
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gifts and Grants		1,855,811				1,855,811
Supplies and Travel	-	-	-	80,975	80,975	80,975
Services and Professional Fees	-	-	258,681	255,886	514,567	514,567
Office and Occupancy	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	152,961	38,922	191,883	191,883
Total Expenses	\$ 1,855,811	\$ 1,855,811	\$ 411,642	\$ 375,783	\$ 787,425	\$ 2,643,236

See accompanying Notes to Financial Statements.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES**

Organization

Millersville University of Pennsylvania of the State System of Higher Education (the University), a public four-year institution located in Millersville, Pennsylvania, was founded in 1855. The University is one of 10 universities of Pennsylvania's State System of Higher Education (the State System). The State System was created by the State System of Higher Education Act of November 12, 1982, P.L. 660, No. 188, as amended (Act 188). The State System is a component unit of the Commonwealth of Pennsylvania (the Commonwealth).

Reporting Entity

The University functions as a business-type activity, as defined by the Governmental Accounting Standards Board (GASB).

The University has determined the Millersville University Foundation (the Foundation) should be included in the University's financial statements as a discretely presented component unit. A component unit is a legally separate organization for which the primary institution is financially accountable or closely related. The financial activity of the Foundation is presented as of June 30, 2025.

Foundation

The Foundation is a tax-exempt entity that acts primarily as a fundraising organization to supplement the resources that are available to the University in support of its programs. Although the University does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests, is restricted to the activities of the University by the donors.

During the year ended June 30, 2025, the Foundation distributed \$2,128,385 to the University for both restricted and unrestricted purposes. As of June 30, 2025, the Foundation has accounts payable to the University of \$29,300.

Complete financial statements for the Millersville University Foundation may be obtained at the University's Accounting Office.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Measurement Focus, Basis of Accounting, and Basis of Presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP), as prescribed by GASB. The economic resources measurement focus reports all inflows, outflows, and balances that affect an entity's net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The Foundation is a private nonprofit organization, reported in accordance with Financial Accounting Standards Board (FASB) requirements, including Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-For-Profit Entities*, an amendment of FASB Codification Topic 958, *Not-For-Profit Entities*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the component unit's financial information in the University's financial reporting entity for these differences.

Operating Revenues and Expenses

Operating revenues of the University consist of tuition, all academic, instructional and other student fees, student financial aid, auxiliary activity; corporate partnerships; and revenue from cogeneration sales. In addition, governmental and private grants and contracts in which the grantor receives equal value for the funds given to the University are recorded as operating revenue. All expenses, with the exception of interest expense, loss on investments, loss on the disposal of assets, and extraordinary expenses are recorded as operating expenses. Appropriations, gifts, investment income, capital grants, gains on investments, gains on the disposal of assets, parking and library fines, and governmental and private research grants and contracts in which the grantor does not receive equal value for the funds given to the University are reported as nonoperating revenue.

Deferred Outflows and Deferred Inflows of Resources

The statement of net position reports separate sections for *deferred outflows of resources* and *deferred inflows of resources*.

Deferred outflows of resources, reported after *total assets*, is defined by GASB as a consumption of net position that applies to future periods. The expense is recognized in the applicable future period(s). *Deferred inflows of resources*, reported after *total liabilities*, is defined by GASB as an acquisition of net position that applies to future periods. The revenue is recognized in the applicable future period(s).

Transactions are classified as deferred outflows of resources or deferred inflows of resources only when specifically prescribed by GASB standards.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Deferred Outflows and Deferred Inflows of Resources (Continued)

The University is required to report the following as deferred outflows of resources or deferred inflows of resources.

- Deferred gain or loss on bond refunding, which results when the carrying value of a refunded bond is greater or less than its reacquisition price. The difference is deferred and amortized over the remaining life of the old bond or the life of the new bond, whichever is shorter.
- For defined benefit pension plans and other postemployment benefit (OPEB) plans: the difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension and OPEB plan investments, changes in the University's proportion of expenses and liabilities to the pension and OPEB plans as a whole, differences between the University's pension and OPEB contributions and its proportionate share of contributions, and University pension and OPEB contributions subsequent to the respective pension or OPEB plan valuation measurement date.
- For lessor accounting: a deferred inflow of resources associated with leases where the University is a lessor, recognized as income ratably over the term of the lease.

Scholarships and Waivers

In accordance with a formula prescribed by the National Association of College and University Business Officers (NACUBO), the University allocates the cost of scholarships, waivers, and other student financial aid between discounts and allowances (netted against tuition and fees) and student aid expense. Scholarships and waivers of room and board fees are reported in auxiliary enterprises. The cost of tuition waivers granted to employees is reported as employees' benefits expense.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Net Position

Net position is the residual of assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. The University maintains the following classifications of net position.

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction, repair, or improvement of those assets.

Restricted – Nonexpendable – The portion of net position subject to externally imposed conditions requiring that it be maintained by the University in perpetuity.

Restricted – Expendable – The portion of net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the University or by the passage of time.

Unrestricted – All other categories of net position. Unrestricted net position may be designated for specific purposes by the University's Council of Trustees.

When both restricted and unrestricted funds are available for expenditure, the decision as to which assets are used first is left to the discretion of the University.

Cash Equivalents and Investments

The University considers all demand and time deposits and money market funds to be cash equivalents. Investments purchased are stated at fair value. Investments received as gifts are recorded at their fair value or appraised value as of the date of the gift. The University classifies investments as short-term when they are readily marketable and intended to be converted to cash within one year.

Accounts and Loans Receivable

Accounts and loans receivable consist of tuition and fees charged to current and former students and amounts due from federal and state governments in connection with reimbursements of allowable expenditures made pursuant to grants and contracts and other miscellaneous sources.

Accounts and loans receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. The allowance for doubtful accounts is estimated based upon the University's historical losses and periodic review of individual accounts.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Inventory

Inventory consists mainly of supplies and is stated at the lower of average cost or market.

Capital Assets

Land and buildings at the University's campus acquired or constructed prior to the creation of the State System on July 1, 1983 are owned by the Commonwealth and made available to the University. Since the University neither owns such assets nor is responsible to service associated bond indebtedness, no value is ascribed thereto in the accompanying financial statements. Likewise, no value is ascribed to the portion of any land or buildings acquired or constructed utilizing capital funds appropriated by the Commonwealth after June 30, 1983, and made available to the University.

All assets with an individual purchase cost, or fair value if acquired by gift, in excess of \$5,000 with an estimated useful life of two years or greater are capitalized. Buildings, portions of buildings, and capital improvements acquired or constructed by the University after June 30, 1983, through the expenditure of University funds or the incurring of debt, are stated at cost less accumulated depreciation.

Equipment and furnishings are stated at cost less accumulated depreciation. Library books are capitalized on a composite basis in the year of purchase. Assets under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The University provides for depreciation on the straight-line method over the estimated useful lives of the related assets. Buildings and improvements are depreciated over useful lives ranging from 10 to 40 years. Equipment and furnishings are depreciated over useful lives ranging from 3 to 10 years. Library books are depreciated over 10 years. Amortization of assets under capital leases is included in depreciation expense. Normal repair and maintenance expenditures are not capitalized because they neither add to the value of the property nor materially prolong its useful life.

The University does not capitalize collections of art, rare books, historical items, etc., as they are held for public exhibition, education, or research rather than financial gain.

Impairment of Capital Assets

Management reviews capital assets for impairment whenever events or changes in circumstances indicate that the service utility of an asset has declined significantly and unexpectedly. Any write-downs due to impairment are charged to operations at the time impairment is identified. No write-down of capital assets was required for the year ended June 30, 2025.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Leases and Subscription-Based Information Technology Arrangements

The University routinely engages in lease agreements or subscription-based information technology arrangements (SBITA) to meet operational needs. The University's lease contracts generally relate to land, buildings, and various equipment. For short-term leases and SBITAs with a maximum possible term of 12 months or less at commencement, The University recognizes periodic revenue or expense based on the provision of the lease contract or SBITA. For all other contracts where the University is lessee, that meet the requirements of GASB 87 or GASB 96 and were in excess of the minimum dollar threshold, the University recognized a lease or subscription liability and an intangible right of use asset based on the present value of the future lease payments or subscription payments over the contracted term of the lease or SBITA. Lease and subscription right of use assets are reported with capital assets, and lease and subscription liabilities are reported as long-term debt in the statements of net position. The right of use lease and subscription assets are amortized over the term of the lease, as the University is not expected to lease assets beyond the underlying asset's useful life. The University also serves as a lessor for certain real estate. For those agreements required to be capitalized, the financial statements recognize a lease receivable and a deferred inflow of resources, based on the present value of the future lease payments expected to be received during the contracted lease term period and the deferred inflow of resources is amortized evenly over the term of the lease. Lease receivables are reported with other current assets and other noncurrent assets. Deferred inflow – lease receivable is reported as deferred inflow in the statement of net position.

The University uses its estimated incremental borrowing rate as the discount rate for leases and SBITAs unless the rate the lessor charges is known. This rate is based on the general obligation bond's weighted average interest rate for a given year. If amendments or other certain circumstances occur that are expected to significantly affect the amount of the lease or SBITA, the present value is remeasured, and corresponding adjustments made. Payments based on future performance are not included in the measurement of the lease liability or lease receivable but recognized as expense or revenue in the period performed. Residual value guarantees and exercise options will be included in the measurement if they are reasonably certain to be paid or exercised.

A minimum dollar threshold was established for lease and SBITA reporting purposes of \$25,000.

Unearned Revenue

Unearned revenue includes amounts for tuition and fees, grants, corporate sponsorship payments, and certain auxiliary activities received prior to the end of the fiscal year but earned in a subsequent accounting period.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

Compensated Absences

The estimated cost of future payouts of annual leave and sick leave that employees have earned for services rendered, and which the employees may be entitled to receive upon termination or retirement, is recorded as a liability.

Pension Plans and OPEB Plans

Eligible employees of the State System enroll in one of three available pension plans immediately upon employment. The State System also offers healthcare and tuition benefits to eligible employees upon employment, which vary depending upon the employee's labor group.

For purposes 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 State Employees' Retirement System (SERS) and Public School Employees' Retirement System (PSERS) and additions to/deductions from SERS and PSERS fiduciary net position have been determined on the same basis as they are reported by SERS and PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net Other Postemployment Benefits (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 System Plan, Retired Employees Health Program (REHP) and Premium Assistance Program (Premium Assistance) and additions to/deductions from the System Plan, REHP and Premium Assistance plans' fiduciary net position have been determined on the same basis as they are reported by the System Plan, REHP and Premium Assistance plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Income Taxes

The University, as a member of the State System, is tax exempt; accordingly, no provision for income taxes has been made in the accompanying financial statements.

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 and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

**NOTE 1 NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)**

**Newly Adopted Statements Issued by the Governmental Accounting Standards Board
(GASB)**

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for 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. The implementation of this standard did not affect beginning net position.

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The primary objective of this Statement is to provide users of financial statements with essential information about risks related to vulnerabilities due to certain concentrations or constraints. The implementation of this standard had no effect on the University's financial statements.

Recent Statements Issued by the Governmental Accounting Standards Board (GASB)

The GASB has issued Statement No. 103, *Financial Reporting Model Improvements*, which is effective for fiscal years beginning after June 15, 2025. Statement No. 103 provides targeted improvements to the existing financial reporting model. These improvements are designed to enhance the effectiveness of governmental financial reports in providing information to decision makers, and to address certain application issues. The University has not yet determined the effect that the adoption of GASB Statement No. 103 may have on its financial statements.

The GASB has issued Statement No. 104, *Disclosure of Certain Capital Assets*, which is effective for fiscal years beginning after June 15, 2025. Statement No. 104 requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. The University has not yet determined the effect that the adoption of GASB Statement No. 104 may have on its financial statements.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS

The University predominantly maintains its cash balances on deposit with the State System. The State System maintains these and other State System funds on a pooled basis. Although the State System pools its funds in a manner similar to an internal investment pool, individual State System entities do not hold title to any assets in the fund. The State System as a whole owns title to all assets. The University does not participate in the unrealized gains or losses on the investment pool; instead, the University holds shares equal to its cash balance. Each share has a constant value of \$1, and income is allocated based on the number of shares owned. Revenue realized at the State System level is calculated on a daily basis and posted monthly to each entity's account as interest income. The University's portion of pooled funds totaled \$62,299,911 at June 30, 2025.

Board of Governors' Policy 1986-02-A, *Investment*, authorizes the State System to invest in obligations of the U.S. Treasury, repurchase agreements, commercial paper, certificates of deposit, banker's acceptances, U.S. money market funds, municipal bonds, corporate bonds, collateralized mortgage obligations (CMOs), asset-backed securities, and internal loan funds. Restricted nonexpendable funds and amounts designated by the board or University trustees may be invested in the investments described above as well as in corporate equities and approved pooled common funds. For purposes of convenience and expedience, universities use local financial institutions for activities such as deposits of cash. In addition, universities may accept gifts of investments from donors as long as risk is limited to the investment itself. Restricted gifts of investments fall outside the scope of the investment policy.

In keeping with its legal status as a system of public universities, the State System recognizes a fiduciary responsibility to invest all funds prudently and in accordance with ethical and prevailing legal standards. Investment decisions are intended to minimize risk while maximizing asset value. Adequate liquidity is maintained so that assets can be held to maturity. High quality investments are preferred. Reasonable portfolio diversification is pursued to ensure that no single security or investment or class of securities or investments will have a disproportionate or significant impact on the total portfolio. Investments may be made in U.S. dollar-denominated debt of high-quality U.S. and non-U.S. corporations. Investment performance is monitored on a frequent and regular basis to ensure that objectives are attained, and guidelines are followed.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Safety of principal and liquidity are the top priorities for the investment of the State System's operating funds. Within those guidelines, income optimization is pursued. Speculative investment activity is not allowed; this includes investing in asset classes such as commodities, futures, short-sales, equities, real or personal property, options, venture capital investments, private placements, letter stocks, and unlisted securities.

The State System's operating funds are invested and reinvested in the following types of instruments with qualifications as provided. (See Board of Governors' Policy 1986-02-A, *Investment*, for a complete list of and more details on permissible investments and associated qualifications.)

Investment Categories	Qualifications/Moody's Ratings Requirements
United States Government Securities	Together with repurchase agreements must comprise at least 20% of the market value of the fund.
Repurchase Agreements	Underlying collateral must be direct obligations of the United States Treasury and be in the State System's or its agent's custody.
Commercial Paper	P-1 and P-2 notes only, with no more than 5% and 3%, respectively, of the market value of the fund invested in any single issuer. Total may not exceed 20% of the market value of the fund.
Municipal Bonds	Bonds must carry long-term debt rating of A or better. Total may not exceed 20% of the market value of the fund.
Corporate Bonds	15% must carry long-term debt rating of A or better; 5% may be rated Baa2 or better. Total may not exceed 20% of the market value of the fund.
Collateralized Mortgage Obligations (CMOs)	Must be rated Aaa and guaranteed by U.S. government. Total may not exceed 20% of the market value of the fund.
Asset-Backed Securities	Must be Aaa rated. Total may not exceed 20% of the market value of the fund, with no more than 5% invested in any single issuer.
System Investment Fund Loans (University Loans and Bridge Notes)	Total may not exceed 20% of the market value of the fund, and loan terms may not exceed five years.

CMO Risk: CMOs are sometimes based on cash flows from interest-only (IO) payments or principal-only (PO) payments and are sensitive to prepayment risks. The CMOs in the State System's portfolio do not have IO or PO structures; however, they are subject to extension or contraction risk based on movements in interest rates.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Moody's Rating: The State System uses ratings from Moody's Investors Service, Inc., to indicate the credit risk of investments; i.e., the risk that an issuer or other counterparty to an investment will not fulfill its obligations. An Aaa rating indicates the highest quality obligations with minimal credit risk. Ratings that begin with Aa indicate high quality obligations subject to very low credit risk; ratings that begin with A indicate upper-medium-grade obligations subject to low credit risk; and ratings that begin with Baa indicate medium-grade obligations, subject to moderate credit risk, that may possess certain speculative characteristics. Moody's appends the ratings with numerical modifiers 1, 2, and 3, with 1 indicating a higher ranking and 3 indicating a lower ranking within the category. For short-term obligations, a rating of P-1 indicates that issuers have a superior ability to repay short-term debt obligations, and a rating of P-2 indicates that issuers have a strong ability to repay short-term debt obligations.

Modified Duration: The State System denotes interest rate risk, or the risk that changes in interest rates will affect the fair value of an investment, using modified duration. Duration is a measurement in years of how long it takes for the price of a bond to be repaid by its internal cash flows. Modified duration takes into account changing interest rates. The State System maintains a portfolio duration target of 1.8 years with an upper limit of 2.5 years for the intermediate-term component of the operating portion of the investment portfolio. The State System's duration targets are not applicable to its long-term investments.

Fair Value Hierarchy: GASB Statement No. 72, *Fair Value Measurement and Application*, requires that investments be classified according to a "fair value hierarchy." With respect to Statement No. 72's fair value hierarchy, GASB defines "inputs" as "the assumptions that market participants would use when pricing an asset or liability, including assumptions about risk." Statement No. 72 further categorizes inputs as observable or unobservable: Observable inputs are "inputs that are developed using market data, such as publicly available information about actual events or transactions, and which reflect the assumptions that market participants would use when pricing an asset or liability"; Unobservable inputs are "inputs for which market data are not available and that are developed using the best information available about the assumptions that market participants would use when pricing an asset or liability."

Statement No. 72's fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three "levels":

Level 1 – Investments whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market, such as stocks listed in the S&P 500 or NASDAQ. If an up-to-date price of the investment can be found on a major exchange, it is a Level 1 investment.

Level 2 – Investments whose values are based on their quoted prices in inactive markets or whose values are based on models, and the inputs to those models are observable either directly or indirectly for substantially the full term of the asset or liability.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Hierarchy (Continued):

Level 3 – Investments that trade infrequently, and as a result do not have many reliable market prices. Valuations of Level 3 investments typically are based on management assumptions or expectations. For example, a private equity investment or complex derivative would likely be a Level 3 investment.

In addition, the fair value of certain investments that do not have a readily determinable fair value is classified as NAV, meaning Net Asset Value per share, when the fair value is calculated in a manner consistent with the FASB measurement principles for investment companies.

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Securities classified in Level 3 of the fair value hierarchy lack an independent pricing source and so are valued using an internal fair value as provided by the investment manager.

Commonfund investments, held locally by the University, are valued based upon the unit values (NAV) of the funds held by the University at year-end. Unit values are based upon the underlying assets of the funds derived from inputs principally from or corroborated by observable market data, by correlation, or other means. Redemption restrictions for the Commonfund vary, depending upon the type of fund in which the universities have invested, and are restricted to withdrawals only on a weekly basis or the last business day of the month. All withdrawals require five days' notice. Both the Multi-Strategy Equity Fund and the Multi-Strategy Bond Fund, held by the University, are restricted to withdrawals on the last day of business of the month.

Multi-Strategy Equity Fund: The investment objective of the fund is to offer an investment program that will provide, in a single fund, all of the strategy and manager diversification that an endowment would normally require for its equity allocation. The fund seeks to add value over long periods of time, above the return of the U.S. equity market as measured by the S&P 500 index and, due to its strategy and manager diversification, to reduce volatility in comparison to that of investing in the index.

Multi-Strategy Bond Fund: The investment objective of the fund is to offer an actively managed, multi-manager investment program that will provide, in a single fund, broad exposure to global debt markets. The fund seeks to add value above the return of the broad U.S. bond market over a full market cycle, as measured by the Barclays Capital U.S. Aggregate Bond Index and, due to its strategy and manager diversification, to reduce volatility in comparison to that of investing in the index.

Detailed information regarding the fair value of the State System pooled deposits and investment portfolio is available in the financial statements of the State System, which can be found at www.passhe.edu.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Hierarchy (Continued):

The University receives income from perpetual trusts held by a third party. Under the terms of the trusts, the University has the irrevocable right to receive a portion of the income earned on the trust assets in perpetuity. Income from these trusts is restricted for scholarships and capital and is included in interest income in the statements of revenues, expenses, and changes in net position.

The fair value of cash, cash equivalents, and investments at June 30, 2025 is as follows:

	Fair Value Hierarchy	Amount
Primary Institution		
Cash and Cash Equivalents:		
Noncategorized Cash:		
Cash on Hand	N/A	\$ 17,665
Deposits in PASSHE Pooled Fund	N/A	62,317,318
Total Cash and Cash Equivalents		<u><u>\$ 62,334,983</u></u>
Long-Term Investments-Primary Institution		
Noncategorized Long-Term Investments:		
Common Fund		
Multi-Strategy Equity Fund	NAV	\$ 2,682,002
Multi-Strategy Bond Fund	NAV	297,924
Cash Equivalent	3	91,664
Excess VPAC Project Gifts Invested with		
Foundation	3	562,423
Scholarship Funds Invested with Foundation	3	1,225,682
Beneficial Interest in Perpetual Trusts:	3	9,517,355
Total Long-Term Investments		<u><u>\$ 14,377,050</u></u>
Foundation		
Certificates of Deposit	1	\$ 1,924,478
Common Stock	1	342,759
Hedge Fund	NAV	2,264,863
Mutual Funds	1	64,711,212
Private Equity Funds	NAV	2,029,047
Total Investments		<u><u>\$ 71,272,359</u></u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Fair Value Hierarchy (Continued):

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented in the following table.

Primary Institution	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<u>2025</u>				
Commonfund Multi-Strategy Equity Fund	\$ 2,682,002	\$ -	Monthly	5 Days
Commonfund Multi-Strategy Bond Fund	297,924	-	Monthly	5 Days
Total	\$ 2,979,926	\$ -		
 Foundation				
<u>2025</u>				
Hedge Fund	\$ 2,264,863	\$ -	Quarterly	180 Days in the First Year, then 65 Days
Private Equity Fund	\$ 2,029,047	\$ 276,428	None	None

Credit Risk

The University uses ratings from Moody's Investors Service, Inc. to indicate the credit risk of investments, i.e., the risk that an issuer or other counterparty to an investment will not fulfill its obligations. An *Aaa* rating indicates the highest quality obligations with minimal credit risk. Ratings that begin with *Aa* indicate high quality obligations subject to very low credit risk; ratings that begin with *A* indicate upper-medium-grade obligations subject to low credit risk; and ratings that begin with *Baa* indicate medium-grade obligations, subject to moderate credit risk, that may possess certain speculative characteristics. Moody's appends the ratings with numerical modifiers 1, 2, and 3, with 1 indicating a higher ranking and 3 indicating a lower ranking within the category. For short-term obligations, a rating of *P-1* indicates that issuers have a superior ability to repay short-term debt obligations, and a rating of *P-2* indicates that issuers have a strong ability to repay short-term debt obligations.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of failure, the University would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Management believes they are not exposed to this credit risk.

Concentration of Credit Risk

The University does not have a formal investment policy for concentration of credit risk.

At June 30, 2025, the University had the following investment which exceeded 5% of the University's total investments:

Issuer	Type of Investment	Amount	Percentage of Total Long-Term Investments
Commonfund	Multi-Strategy Equity Fund	\$ 2,682,002	18.65 %

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 3 CAPITAL ASSETS

Capital assets acquired or constructed by the University through the expenditures of University funds or the incurrence of debt consist of the following as of June 30, 2025:

	Balance June 30, 2024	2024-25 Additions	2024-25 Retirements/ Adjustments	2024-25 Reclassifications	Balance June 30, 2025
Land	\$ 594,260	\$ -	\$ -	\$ -	\$ 594,260
Construction in Progress	6,733,163	1,583,331	(975,870)	(5,220,764)	2,119,860
Total Capital Assets not being Depreciated	7,327,423	1,583,331	(975,870)	(5,220,764)	2,714,120
Buildings, Including Improvements	302,782,804	3,348,276	(295,433)	1,839,571	307,675,218
Improvements Other than Buildings	-	-	-	-	-
Buildings	28,532,752	55,965	-	1,555,830	30,144,547
Furnishings and Equipment	33,657,934	1,472,698	(375,220)	306,344	35,061,756
Library Books	3,530,959	21,088	(4,234)	-	3,547,813
Right-to-Use Assets:					
Buildings	6,414,095	(1,038,189)	(370,680)	-	5,005,226
Equipment	630,112	60,464	(18,707)	-	671,869
Subscription Assets	5,540,790	2,814,346	(1,198,016)	1,519,019	8,676,139
Total Capital Assets Being Depreciated and Amortized	381,089,446	6,734,648	(2,262,290)	5,220,764	390,782,568
Less Accumulated Depreciation and Amortization:					
Buildings, Including Improvements	(120,747,582)	(10,430,984)	258,240	-	(130,920,326)
Improvements Other than Buildings	(19,475,305)	(1,214,173)	-	-	(20,689,478)
Buildings	(27,810,599)	(1,861,814)	375,221	-	(29,297,192)
Furnishings and Equipment	(3,425,215)	(15,729)	4,234	-	(3,436,710)
Library Books					
Right-to-Use Assets:					
Buildings	(1,508,968)	(1,041,548)	170,546	-	(2,379,970)
Equipment	(259,329)	(142,402)	18,707	-	(383,024)
Subscription Assets	(2,227,390)	(2,477,128)	1,178,466	-	(3,526,052)
Total Accumulated Depreciation and Amortization	(175,454,388)	(17,183,778)	2,005,414	-	(190,632,751)
Total Capital Assets Being Depreciated and Amortized, Net	205,635,058	(10,449,130)	(256,876)	5,220,764	200,149,816
Capital Assets, Net	<u>\$ 212,962,481</u>	<u>\$ (8,865,799)</u>	<u>\$ (1,232,746)</u>	<u>\$ -</u>	<u>\$ 202,863,936</u>

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following at June 30, 2025:

Employees	\$ 8,746,967
Supplies and Services	3,232,363
Interest	291,377
Total	<u>\$ 12,270,707</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 5 LEASES RECEIVABLE

The University routinely leases various land or facilities to third parties. The contracts, at times, may include variable payments that are not known or certain to be exercised at the time of the lease receivable valuation. These are recognized as income in the period that they are incurred.

The lease revenue, interest income, and variable lease income for the fiscal year ended June 30, 2025 are summarized in the following schedule.

	Third Parties
Lease Interest Income	\$ 2,450
Lease Revenue	59,751
Lease Revenue - Variable	3,701
Total	<u>\$ 65,902</u>

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 46,996	\$ 1,142	\$ 48,138
2027	26,429	1,009	27,438
2028	10,390	382	10,772
2029	5,574	306	5,880
2030	5,273	164	5,437
Total	<u>\$ 94,662</u>	<u>\$ 3,003</u>	<u>\$ 97,665</u>

The following summary provides aggregated information reported for June 30, 2025 leases receivable, including additions and reductions for the year then ended.

	June 30, 2024	Additions	Retirements	June 30, 2025
Leases Receivable - Third Parties	<u>\$ 82,503</u>	<u>\$ 71,683</u>	<u>\$ (59,524)</u>	<u>\$ 94,662</u>

MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
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JUNE 30, 2025

NOTE 6 BONDS PAYABLE

Bonds payable consist of tax-exempt revenue bonds issued by the State System through the Pennsylvania Higher Educational Facilities Authority (PHEFA). In connection with the bond issuances, the State System entered into a loan agreement with PHEFA on behalf of the University under which the State System has pledged its full faith and credit for the repayment of the bonds. The loan constitutes an unsecured general obligation of the State System. The State System's Board of Governors has allocated portions of certain bond issuances to the University to undertake various capital projects or to advance refund certain previously issued bonds. The University is responsible for the repayment of principal and interest on its applicable portion of each obligation.

The various bond series allocated to the University and their balances as of June 30, 2025 are as follows:

	Weighted Average Interest Rate	Balance July 1, 2024	Bonds Issued	Bonds Redeemed	Balance June 30, 2025
Series AQ Used for Refunding of Residence, Buildings, Infrastructure Final Maturity June 2026	4.30 %	\$ 1,910,618	\$ -	\$ (1,181,613)	\$ 729,005
Series AR Used for Dining Hall Renovations Final Maturity June 2035	3.76 %	6,151,584	- -	(491,373)	5,660,211
Series AS Used for Infrastructure Refunded AF Final Maturity June 2027	4.18 %	505,500	- -	(160,310)	345,190
Series AV issued in September 2018 Refund AG and AI Final Maturity in June 2025	4.14 %	37,797	- -	(37,797)	-
Series AW issued Sept 2019 Final Maturity in June 2029	4.61 %	3,542,014	- -	(641,278)	2,900,736
Series AX issued in July 2020 Final Maturity in June 2042	3.73 %	3,599,189	- -	(529,455)	3,069,734
Series AY issued in October 2020 Final Maturity in June 2036	1.65 %	7,638,256	- -	(1,307,501)	6,330,755
Series AZ issued in June 2021 Final Maturity in June 2047	2.76 %	<u>130,020,000</u>	<u>-</u>	<u>(4,435,000)</u>	<u>125,585,000</u>
Total Bonds Payable		<u><u>\$ 153,404.958</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (8,784,327)</u></u>	<u><u>144,620,631</u></u>
Plus: Unamortized Bond Premium					<u><u>3,525,172</u></u>
Outstanding at June 30, 2025					148,145,803
Less: Current Portion Bonds Payable, Net of Current Portion					<u><u>(9,024,405)</u></u>
					<u><u>\$ 139,121,398</u></u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
OF THE STATE SYSTEM OF HIGHER EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 6 BONDS PAYABLE (CONTINUED)

Principal and interest maturities for each of the next five years and in subsequent periods ending June 30 are as follows:

Series		2026	2027	2028	2029	2030	2031-2035	2036-2040	2041-2045	2046-2050	Total
AQ	Principal	\$ 729,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 729,005
	Interest	36,450									36,450
	Total	<u>765,455</u>									<u>765,455</u>
AR	Principal	508,979	519,542	530,106	540,669	554,754	3,006,161	-	-	-	5,660,211
	Interest	273,710	262,619	251,210	239,485	226,439	903,957	-	-	-	2,157,420
	Total	<u>782,689</u>	<u>782,161</u>	<u>781,316</u>	<u>780,154</u>	<u>781,193</u>	<u>3,910,118</u>				<u>7,817,631</u>
AS	Principal	168,366	176,824	-	-	-	-	-	-	-	345,190
	Interest	17,260	8,841								26,101
	Total	<u>185,626</u>	<u>185,665</u>								<u>371,291</u>
AV	Principal	-	-	-	-	-	-	-	-	-	-
	Interest	-									-
	Total	-	-	-	-	-	-	-	-	-	-
AW	Principal	673,242	706,205	742,165	779,124	-	-	-	-	-	2,900,736
	Interest	145,037	111,375	76,064	38,956	-	-	-	-	-	371,432
	Total	<u>818,279</u>	<u>817,580</u>	<u>818,229</u>	<u>818,080</u>						<u>3,272,168</u>
AX	Principal	554,824	583,503	612,182	644,170	675,055	-	-	-	-	3,069,734
	Interest	153,487	125,745	96,570	65,961	33,753	-	-	-	-	475,516
	Total	<u>708,311</u>	<u>709,248</u>	<u>708,752</u>	<u>710,131</u>	<u>708,808</u>					<u>3,545,250</u>
AY	Principal	1,338,310	966,280	980,331	997,624	1,013,837	1,034,373	-	-	-	6,330,755
	Interest	108,542	90,140	75,646	59,716	42,257	21,980	-	-	-	398,281
	Total	<u>1,446,852</u>	<u>1,056,420</u>	<u>1,055,977</u>	<u>1,057,340</u>	<u>1,056,094</u>	<u>1,056,353</u>				<u>6,729,036</u>
AZ	Principal	4,560,000	4,685,000	4,830,000	4,975,000	5,115,000	27,610,000	30,960,000	35,200,000	7,650,000	125,585,000
	Interest	3,447,058	3,310,258	3,169,708	3,024,808	2,875,558	12,265,153	8,763,215	4,328,895	308,850	41,493,503
	Total	<u>8,007,058</u>	<u>7,995,258</u>	<u>7,999,708</u>	<u>7,999,808</u>	<u>7,990,558</u>	<u>39,875,153</u>	<u>39,723,215</u>	<u>39,528,895</u>	<u>7,958,850</u>	<u>167,078,503</u>
Total	Principal	8,532,726	7,637,354	7,694,784	7,936,587	7,358,646	31,650,534	30,960,000	35,200,000	7,650,000	144,620,631
	Interest	4,181,544	3,908,978	3,669,198	3,428,926	3,178,007	13,191,090	8,763,215	4,328,895	308,850	44,958,703
	Total	<u>\$ 12,714,270</u>	<u>\$ 11,546,332</u>	<u>\$ 11,363,982</u>	<u>\$ 11,365,513</u>	<u>\$ 10,536,653</u>	<u>\$ 44,841,624</u>	<u>\$ 39,723,215</u>	<u>\$ 39,528,895</u>	<u>\$ 7,958,850</u>	<u>\$ 189,579,334</u>

The University participates in the State System's Academic Facilities Renovation Bond Program (AFRP), which was established for the purpose of renovating the academic facilities across the State System. In the past, the State System issued bonds to provide a pool for funding for AFRP \$1,222,135 outstanding as of June 30, 2025. Repayments to the pool are made annually based on the University's proportionate share of the total allocation of funds under the program. Changes in the balance owed by the University to the AFRP pool of funding were as follows:

Balance - July 1		\$ 150,558
Repayments		(47,695)
Balance - June 30		102,863
Less: Current Portion		(50,078)
Due to Systems, Net of Current Portion		<u>\$ 52,785</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 7 UNEARNED REVENUE

Unearned revenue consisted of the following at June 30, 2025:

	<u>Current</u>
Student Tuition and Fees	\$ 1,571,582
Grants, Sales, and Services	475,979
Federal Appropriations	253,896
Total	<u>\$ 2,301,457</u>

NOTE 8 COMPENSATED ABSENCES

Compensated absences consisted of the following at June 30, 2025:

	<u>Current</u>	<u>Noncurrent</u>
Compensated Absences	<u>\$ 932,747</u>	<u>\$ 9,004,394</u>

Compensated absences activity consisted of the following during 2025:

Balance - July 1	\$ 9,395,906
Current Changes in Estimate	2,126,086
Payouts	<u>(1,584,852)</u>
Balance - June 30	9,937,140
Less: Current Portion	<u>(932,747)</u>
Noncurrent Portion	<u>\$ 9,004,393</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

Other postemployment benefits (OPEB) are benefits, such as healthcare benefits, that are paid in the period after employment and that are provided separately from a pension plan. OPEB does not include termination benefits or termination payments for sick leave.

University employees who retire after meeting specified service and age requirements are eligible to receive healthcare and tuition benefits in retirement. Employee members of the Association of Pennsylvania State College and University Faculties (APSCUF), the State College and University Professional Association (SCUPA), PASSHE Officers Association (POA), Security Police and Fire Professionals of America (SPFFPA), Office and Professional Employees International Union (OPEIU), and nonrepresented employees participate in a defined benefit healthcare plan administered by the State System (System Plan). Employee members of the American Federation of State, County and Municipal Employees (AFSCME), Pennsylvania Doctors Alliance (PDA), and Pennsylvania Social Services Union (PSSU) participate in the Retired Employees Health Program (REHP), which is a defined benefit healthcare plan sponsored by the Commonwealth and administered by the Pennsylvania Employee Benefits Trust Fund (PEBTF). In addition to the above, any employee who participates in the Public School Employees' Retirement System (PSERS) pension plan is eligible to receive benefits from the PSERS Health Insurance Premium Assistance Program (Premium Assistance), a defined benefit plan, and all eligible retirees and their eligible dependents receive tuition waivers at any of the 10 State System universities.

Following is the total of the University's OPEB liabilities, deferred outflows and inflows of resources related to OPEB, and the OPEB expense for the fiscal year ended June 30, 2025.

	System Plan	REHP	Premium Assistance	Total
Net OPEB Liabilities	<u><u>\$ 64,644,697</u></u>	<u><u>\$ 25,179,149</u></u>	<u><u>\$ 286,949</u></u>	<u><u>\$ 90,110,795</u></u>
Deferred Outflows of Resources:				
Net Differences Between Actual and Expected Experience	\$ -	\$ 787,210	\$ 1,081	\$ 788,291
Net Differences Between Projected and Actual Investment Earnings on OPEB Plan Investments	-	-	270	270
Changes in Assumptions	542,459	753,385	17,478	1,313,322
Changes in Proportion	-	4,753,500	7,388	4,760,888
Contributions After the Measurement Date	2,089,775	1,739,455	15,442	3,844,672
Total Deferred Outflows of Resources	<u><u>\$ 2,632,234</u></u>	<u><u>\$ 8,033,550</u></u>	<u><u>\$ 41,659</u></u>	<u><u>\$ 10,707,443</u></u>
Deferred Inflows of Resources:				
Net Differences Between Actual and Expected Experience	\$ 15,164,201	\$ 6,054,037	\$ 4,325	\$ 21,222,563
Net Differences Between Projected and Actual Investment Earnings on OPEB Plan Investments	-	141,452	-	141,452
Changes in Assumptions	13,873,485	6,497,970	43,786	20,415,241
Changes in Proportion	-	9,999,724	12,703	10,012,427
Total Deferred Inflows of Resources	<u><u>\$ 29,037,686</u></u>	<u><u>\$ 22,693,183</u></u>	<u><u>\$ 60,814</u></u>	<u><u>\$ 51,791,683</u></u>
OPEB Expense	<u><u>\$ (2,592,289)</u></u>	<u><u>\$ (5,949,676)</u></u>	<u><u>\$ 62,742</u></u>	<u><u>\$ (8,479,223)</u></u>
Contributions Recognized by OPEB Plans	<u><u>\$ -</u></u>	<u><u>\$ 1,739,455</u></u>	<u><u>\$ 15,442</u></u>	<u><u>\$ 1,754,897</u></u>

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The University will recognize the deferred outflows of resources resulting from contributions after the measurement date, totaling \$2,632,234 for the System Plan, \$8,033,550 for the REHP plan, and \$41,659 for the Premium Assistance plan, as reductions of the respective net OPEB liabilities in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

<u>Fiscal Year Ending June 30,</u>	<u>Amortization</u>		
	<u>System Plan</u>	<u>REHP</u>	<u>Premium Assistance</u>
2026	\$ (9,839,076)	\$ (5,646,492)	\$ (8,739)
2027	(8,427,944)	(5,558,135)	(11,443)
2028	(8,427,943)	(3,718,954)	(11,622)
2029	(1,800,264)	(1,757,898)	(991)
2030	-	282,391	(1,802)
Total	\$ (28,495,227)	\$ (16,399,088)	\$ (34,597)

System Plan

Plan Description

The System Plan is a single-employer defined benefit healthcare plan administered by the System Office. Act 188 empowers the board to establish and amend benefit provisions and to require the System Office to pay OPEB as the benefits come due. The System Office discretely accounts for and accumulates all employer and employee System Plan contributions that have been collected from the universities, employees, and retirees, but not yet been paid to the provider; however, the System Plan has no assets accumulated in a trust in which the employer contributions are irrevocable, are dedicated to providing OPEB to plan members, or are legally protected from creditors.

The System Plan provides eligible retirees and their eligible dependents with healthcare benefits, including hospital, medical/surgical, prescription drugs, and major medical coverage, as well as a Medicare supplement for individuals over age 65. Retirees receive varying coverages based on the benefits in effect when they retired, and benefits may continue for the retiree's lifetime. Spouse benefits cease upon the retiree's death, but the surviving spouse may continue coverage at full cost. Non-spouse dependents may be covered until age 19 or until age 25 if a certified full-time student. SCUPA, SPFPA, POA, OPEIU, and nonrepresented employees whose retirement date is on or after January 1, 2016, and APSCUF employees whose retirement date is on or after July 1, 2017, receive the same pre-Medicare benefits as active employees, with benefits changing as active employee benefits change. All other pre-Medicare retirees continue to receive the same benefits to which they were entitled at retirement.

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

System Plan (Continued)

Plan Description (Continued)

A total of 10,975 individuals are covered by the benefit terms (down from 11,307 in the prior actuarial valuation), including 5,476 active employees that may be entitled to receive benefit payments upon retirement, 484 retired participants entitled to but not yet receiving benefits, and 5,015 retired participants receiving benefits.

Effective January 16, 2016, the State System OPEB plan became closed to newly hired SCUPA, SPFPA, POA, OPEIU, and nonrepresented employees, while newly hired APSCUF employees (faculty and coaches) continue to be eligible to participate in the plan.

Plan members receiving benefits contribute at various rates, depending upon when they retire, whether they are eligible for Medicare, the contribution rate in effect on the day of their retirement or the contribution rate for active employees, and applicable collective bargaining agreements. Following are the contribution rates of eligible plan members receiving benefits as of June 30, 2025.

- Plan members who retired prior to July 1, 2005, are not required to make contributions.
- Plan members, with the exception of nonfaculty coaches, who retired on or after July 1, 2005, and prior to July 1, 2008, and who are under age 65, pay the same dollar amount they paid as active employees on the day of retirement. When these plan members become eligible for Medicare, they pay 18% of the current cost of their Medicare coverage and current cost of coverage for covered dependents. The rate changes annually, and future adjustments will apply if contributions increase for active employees.
- Plan members, with the exception of nonfaculty coaches, who retire on or after July 1, 2008, pay 18% of the plan premium in effect for active employees on their retirement date. Future adjustments will apply if contributions increase for active employees.
- Nonfaculty coaches who retired on or after July 1, 2005, pay 3.0% of their final annual gross salary at the time of retirement.

Actuarial Assumptions and Other Inputs

The System performs actuarial valuations every two years for the System Plan and utilizes a measurement date that is the first day of its current fiscal year-end. The actuarial valuation on which the total OPEB liability as of June 30, 2025 is based is dated July 1, 2024, which is the measurement date. The total OPEB liability was measured using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Healthcare cost trend rate of 7.0% in 2024, with a 0.5% decrease per year until 5.5% in 2027 to 4.0% in 2075 and later, based on the Society of Actuaries Long-Run Medical Cost Trend Model.

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

System Plan (Continued)

Actuarial Assumptions and Other Inputs (Continued)

- Annual salary increase of 4%.
- 90% of employees eligible for a subsidy and 7.5% of employees not eligible for a subsidy are assumed to elect coverage. 2% of vested former members are assumed to return to coverage each year upon reaching age 45.
- The per capita claims cost for medical and prescription drugs is based on the expected portion of the group's overall cost attributed to individuals in specified age and gender brackets.
- Retiree premium cost sharing for retired participants covered under "Other Less Subsidized Health Coverage" is assumed to remain at 18% and increase at the same rate as the Health Care Cost Trend Rate. Otherwise, retiree premium cost sharing is not assumed to increase after retirement.
- APSCUF mortality rates based on PubT-2010 Above Median Income Mortality Table, including rates for disabled retirees and contingent survivors. All other groups mortality rates based on the PubG-2010 Above Median Income Mortality Table, including rates for disabled retirees and contingent survivors. Both incorporate rates based on a generational projection using Scale MP-2021 to reflect mortality improvement.
- The discount rate increased from 4.13% to 4.29%, based on S&P Municipal Bond 20-Year High Grade Rate Index at July 1, 2024.
- Participant data is based on census information as of July 1, 2024.
- Rates of withdrawal vary by age and years of service.
- Costs have been loaded by 1.5% to account for tuition waiver benefits, which are offered to all eligible retirees, regardless of employee bargaining unit when active, and including those not represented when active, who meet years of service and/or age criteria.

The following presents the System Plan's net OPEB liability at June 30, 2025, as well as what the liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.0% decreasing to 3.0%) or one percentage point higher (8.0% decreasing to 5.0%) than the current healthcare cost trend rates (7.0% decreasing to 4.0%).

**Sensitivity of the University's Proportionate Share of the System Plan's
Net OPEB Liability to Changes in the Healthcare Cost Trend Rate**

One Percent Decrease (6.0% Decreasing to 3.0%)	Healthcare Cost Trend Rates (7.0% Decreasing to 4.0%)	One Percent Increase (8.0% Decreasing to 5.0%)
\$ 55,074,816	\$ 64,644,697	\$ 76,678,401

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

System Plan (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The following presents the University's net OPEB liability at June 30, 2025, as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (3.29%) or one percentage point higher (5.29%) than the current discount rate (4.29%).

Sensitivity of the University's Proportionate Share of the System Plan's
Net OPEB Liability to Changes in the Discount Rate

One Percent Decrease 3.29%	Current Rate 4.29%	One Percent Increase 5.29%
<u>\$ 73,920,477</u>	<u>\$ 64,644,697</u>	<u>\$ 57,033,919</u>

OPEB Liability

The University's total OPEB liability as of June 30, 2025 of \$64,644,697 was measured and determined by an actuarial valuation as of July 1, 2022.

	Fiscal Year Ending June 30, 2025
Changes in the University's Proportionate Share of the System Plan Total OPEB Liability	
Total OPEB Liability - Beginning Balance	\$ 71,163,538
Service Cost	1,999,008
Interest	2,955,484
Changes in Benefit Terms	-
Net Differences Between Actual and Expected Experience	(8,730,706)
Changes in Assumptions	(797,370)
Benefit Payments	(1,945,257)
Net Changes	<u>(6,518,841)</u>
Total OPEB Liability - Ending Balance	<u>\$ 64,644,697</u>
Covered Employee Payroll	\$ 40,999,910
OPEB Liability as a Percent of Covered Payroll	157.67%

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

REHP

Plan Description

The Retired Employees Health Program (REHP) is a single-employer defined benefit OPEB plan that includes Commonwealth agencies and some component units. The REHP is established as a trust equivalent arrangement. The REHP is administered by the Pennsylvania Employees Benefit Trust Fund (PEBTF), which acts as a third-party administrator under an agreement with the Commonwealth. The REHP is provided as part of collective bargaining agreements with most Commonwealth labor unions. All policy decisions and types and levels of benefits for the REHP fall under the purview of the Commonwealth's Executive Board and the Secretary of Administration. The REHP does not have a governing board. The REHP neither issues a stand-alone financial report nor is it included in the report of a public employee retirement system or other entity, but is reported in the Commonwealth's Comprehensive Annual Financial Report (CAFR) as a Pension (and Other Employee Benefit) Trust. The CAFR is an audited financial statement and is available at www.budget.pa.us.

The REHP provides eligible retirees and their eligible dependents with subsidized healthcare for the retiree's lifetime. Benefits include healthcare, including hospital, medical/surgical, prescription drugs, and major medical coverage, as well as a Medicare supplement for individuals over age 65. Retirees receive varying coverages based on the plan they choose. Spouse benefits cease upon the retiree's death, but the surviving spouse may continue coverage at full cost. Non-spouse dependents may be covered until age 26.

Plan members receiving benefits contribute at various rates, depending upon when they retire, whether they are eligible for Medicare, and their salary at retirement. Following are the contribution rates of eligible plan members receiving benefits as of June 30, 2024.

- Plan members who retired prior to July 1, 2005 are not required to make contributions.
- Plan members who retired on or after July 1, 2005 and prior to July 1, 2007 pay 1% of their final annual salary.
- Plan members who retired on or after July 1, 2007 and prior to July 1, 2011 pay 3% of either final gross annual base salary or final average salary, whichever is less. Members eligible for Medicare pay 1.5% of either final gross annual base salary or final average salary, whichever is less.
- Plan members who retire on or after July 1, 2011 pay 3% of final average salary. Members eligible for Medicare pay 1.5% of final gross annual base salary.

Employer contribution requirements are established by the Commonwealth as provided by pertinent statutory authority. With the exception of certain employing agencies, employers contributed to the REHP Trust a retiree health assessment rate of \$251 per pay period for each current REHP eligible active employee during the period July 1, 2024 through June 30, 2025. The rate during the period July 1, 2023 through June 30, 2024 was also \$275 per pay period.

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

REHP (Continued)

Actuarial Assumptions and Other Inputs

The University records its REHP pension liability annually utilizing a measurement date one year prior to its fiscal year-end. The Commonwealth's State Employees' Retirement System (SERS) performs experience studies periodically to determine reasonable and appropriate economic and demographic assumptions for purposes of valuing the defined benefit pension plan. The most recent SERS experience study covered the years 2015 through 2019 and was presented to the SERS Board in July 2020. The approved recommendations from that study were used to determine the assumptions in the REHP annual valuations, where applicable. The inflation assumption was selected by the SERS Board during a July 2020 meeting based on a review of actual plan experience and the prevalent economic outlook.

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

- Actuarial Cost Method is Entry Age Normal, which requires an estimate of the projected benefit payable at retirement to determine costs and liabilities.
- Inflation of 2.50%.
- Healthcare cost trend rate of 8.2%, with rates gradually decreasing to 3.9% in 2075 and later, based on the SOA-Getzen trend rate model version 2024_1b.
- Average salary growth of 2.50% per year and an assumed 2.80% payroll growth rate.
- Projected benefits based on estimates of future years of service and projected health benefit costs.
- Mortality rates for active employees based on the PUB-2010 General Employees Headcount-Weighted Mortality Tables and adjusted for mortality improvements using projection scale MP-2021.
- Participant data based on census information as of December 31, 2023 for the June 30, 2024 measurement date.

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

REHP (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The following assumptions were made with regard to the discount rate:

- Discount rate of 6.09% as of June 30, 2024.
- The discount rate was based on the long-term expected rate of return on assets held on the OPEB investment poll (6.75%) and a municipal bond rate of 3.93% based on the 20-year Bond Buyer GO index as of the end of June 2024.

The long-term expected rate of return on REHP plan investments is determined using a risk premium review. This review compares the current relationship between fixed income and equity and their relationship over long periods of time to come up with an expected rate of return. Other variables considered in the expected rates of return are a reversion to the mean for each asset class. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	42.00 %	5.00%
International Equity	22.00	5.10%
Fixed Income	22.00	2.40%
Public REITs	4.00	0.00%
Infrastructure	4.00	4.30%
Real Estate	4.00	3.80%
Cash and Cash Equivalents	1.00	1.20%
Private Equity	1.00	8.80%
Total	<u>100.00 %</u>	

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

REHP (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The Commonwealth calculated an allocated share of the REHP OPEB liability for each participating employer based upon their actual contributions made to the REHP. The University's proportion of the collective net OPEB liability was 3.5257% for the measurement date of June 30, 2024, and 3.6478% for the measurement date of June 30, 2023.

The following presents the University's share of the REHP net OPEB liability at June 30, 2025, as well as what the liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates.

Sensitivity of the University's Proportionate Share of the REHP Net OPEB Liability to Changes in the Healthcare Cost Trend Rate		
One Percent Decrease (7.9% Decreasing to 2.9%)	Healthcare Cost Trend Rates (8.9% Decreasing to 3.9%)	One Percent Increase (9.9% Decreasing to 4.9%)
\$ 21,954,661	\$ 25,179,149	\$ 29,048,267

The following presents the University's share of the REHP net OPEB liability at June 30, 2025, as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (5.09%) or one percentage point higher (7.09%) than the current discount rate (6.09%).

Sensitivity of the University's Proportionate Share of the REHP Net OPEB Liability to Changes in the Discount Rate		
One Percent Decrease 5.09%	Current Rate 6.09%	One Percent Increase 7.09%
\$ 28,233,894	\$ 25,179,149	\$ 22,555,934

The assets of the REHP are managed by the Commonwealth's Treasury in an investment pool. The REHP investments are made based upon an interagency agreement, dated June 17, 2008, and the prudent investor standard set forth in the Commonwealth of Pennsylvania's amendment to fiscal code 72 P.S. §30.1, the principles of Prudent Investors Standards.

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Premium Assistance

Plan Description

The Health Insurance Premium Assistance Program (Premium Assistance) is a governmental cost sharing, multiple-employer OPEB plan administered by the administrative staff of PSERS. The members eligible to participate in the program include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. The control and management of PSERS, including the investment of its assets, is vested in the Board of Trustees (PSERS Board). The Commonwealth's General Assembly has the authority to amend the benefit terms of PSERS by passing bills in the Senate and House of Representatives and sending them to the governor for approval. Additional plan information can be found in the PSERS Comprehensive Annual Financial Report at www.psers.pa.gov.

Effective January 1, 2002, under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS Health Options Program. As of June 30, 2021, there were no assumed future benefit increases to participating eligible retirees. Plan members receiving benefits are not required to make contributions.

Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. The contribution policy is governed by applicable provisions of the Retirement Code. The contractually required employer contribution rate was 0.75% of covered payroll for the fiscal years ended June 30, 2023 and 0.80% of covered payroll for the fiscal year ended June 30, 2022. Per §8327 of the Code, the Commonwealth is required to contribute 50% of the contribution rate directly to PSERS on behalf of the State System, meaning that the amount that the State System actually contributed was 0.375% of covered payroll.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Premium Assistance (Continued)

Actuarial Assumptions and Other Inputs

The University records its PSERS OPEB liability annually utilizing a measurement date one year prior to its fiscal year-end. The total OPEB liability, as of the June 30, 2024 measurement date, was determined by rolling forward the PSERS total OPEB liability as of June 30, 2023, to June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation Date - June 30, 2023.
- Actuarial cost method was entry age normal, level percent of pay.
- Investment return of 4.21% based on the S&P 20 Year Municipal Bond Rate.
- Effective average salary growth of 4.5%, comprising 2.50% for inflation and 2.00% for real wage growth and for merit and seniority increases.
- Premium Assistance reimbursement benefits capped at \$1,200 per year.
- Assumed healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Mortality Improvement Scale.
- Eligible retirees pre-age 65 are assumed to participate at 50%, while eligible retirees post-age 65 are assumed to participate at 70%.

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2022, determined the employer contribution rate for fiscal year 2024.
- Cost method was developed using the amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method was market value.
- Participation rate assumed that 63% of eligible retirees will elect premium assistance.
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Mortality Improvement Scale.

The following assumptions were made with regard to the discount rate:

- The discount rate used to measure the total OPEB liability was 4.21% at June 30, 2024 and 4.13% at June 30, 2023.
- Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Premium Assistance (Continued)

Actuarial Assumptions and Other Inputs (Continued)

- The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments; therefore, the plan is considered to be a pay-as-you-go plan. A discount rate of 4.21%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2024, was applied to all projected benefit payments to measure the total OPEB liability.
- Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The OPEB plan's policy with regard to the allocation of invested plan assets is established and may be amended by the PSERS board. Under the program, as defined in the retirement code, employer contribution rates for Premium Assistance are established to provide reserves in the health insurance account that are sufficient for the payment of premium assistance benefits for each seceding year. Following is the PSERS board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class, as of June 30, 2024.

Following is the PSERS Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class, as of June 30, 2024.

	<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash		<u>100.0 %</u>	<u>1.7 %</u>
Total		<u>100.0 %</u>	

The net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the total OPEB liability as of June 30, 2023, to June 30, 2024. An employer's proportion is calculated utilizing the employer's one-year reported covered payroll as a percentage of total one-year reported covered payroll. The State System's proportion of the collective net OPEB liability was 0.1793% and 0.1821% for the measurement dates of June 30, 2024 and 2023, respectively.

The following presents the University's share of the Premium Assistance net OPEB liability at June 30, 2025, as well as what the liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (between 4.0% and 5.8%) or one percentage point higher (between 6.0% and 7.8%) than the current healthcare cost trend rates (between 5.0% and 6.8%).

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NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Premium Assistance (Continued)

Actuarial Assumptions and Other Inputs (Continued)

Sensitivity of the University's Proportionate Share of the Premium Assistance Net OPEB Liability to Changes in the Healthcare Cost Trend Rate		
One Percent Decrease (Between 4.0% and 5.8%)	Healthcare Cost Trend Rates (Between 5.0% and 6.8%)	One Percent Increase (Between 6.0% and 7.8%)
\$ 286,951	\$ 286,949	\$ 286,951

The following presents the University's share of the Premium Assistance net OPEB liability at June 30, 2025, as well as what the liability would be if it were calculated using a discount rate that is one percentage point lower (3.21%) or one percentage point higher (5.21%) than the current discount rate (4.21%).

Sensitivity of the University's Proportionate Share of the Premium Assistance Net OPEB Liability to Changes in the Discount Rate		
One Percent Decrease 3.21%	Current Rate 4.21%	One Percent Increase 5.21%
\$ 324,159	\$ 286,949	\$ 255,778

NOTE 10 PENSION BENEFITS

The University's employees participate in one of three retirement plans. The Public School Employees' Retirement System (PSERS) and the Commonwealth of Pennsylvania State Employees' Retirement System (SERS) are governmental cost-sharing multiple-employer defined benefit plans. The Alternative Retirement Plan (ARP) is a defined contribution plan administered by the State System.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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JUNE 30, 2025**

NOTE 10 PENSION BENEFITS (CONTINUED)

Following is the total of the University's pension liabilities, deferred outflows and deferred inflows of resources related to pensions, and the pension expense for the fiscal year ended June 30, 2025:

	SERS	PSERS	ARP	Total
Net Pension Liabilities	\$ 68,248,242	\$ 5,906,757	\$ -	\$ 74,154,999
Deferred Outflows of Resources:				
Difference Between Expected and Actual Experience	3,093,350	-	-	3,093,350
Net Difference Between Projected and Actual Investment Earnings and Pension Plan Investments	2,003,686	97,798	-	2,101,484
Changes in Assumptions	1,202,022	89,226	-	1,291,248
Difference Between Employer Contributions and Proportionate Share of Contributions	199,856	(9,478)	-	190,378
Contributions After the Measurement Date	<u>5,179,626</u>	<u>811,360</u>	<u>-</u>	<u>5,990,986</u>
Total Deferred Outflows of Resources	<u>\$ 11,678,540</u>	<u>\$ 988,906</u>	<u>\$ -</u>	<u>\$ 12,667,446</u>
Deferred Inflows of Resources:				
Difference Between Expected and Actual Experience	\$ -	\$ 92,888	\$ -	\$ 92,888
Net Difference Between Projected and Actual Investment Earnings and Pension Plan Investments	76,189	-	-	76,189
Difference Between Employer Contributions and Proportionate Share of Contributions	25,108	-	-	25,108
Changes in Proportion	<u>2,988,993</u>	<u>58,055</u>	<u>-</u>	<u>3,047,048</u>
Total Deferred Inflows of Resources	<u>\$ 3,090,290</u>	<u>\$ 150,943</u>	<u>\$ -</u>	<u>\$ 3,241,233</u>
Pension Expense	<u>\$ 4,722,210</u>	<u>\$ 1,056,895</u>	<u>\$ 3,702,970</u>	<u>\$ 9,482,075</u>
Contributions Recognized by Pension Plans	<u>\$ 8,124,784</u>	<u>\$ 811,360</u>	N/A	<u>\$ 8,936,144</u>

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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JUNE 30, 2025**

NOTE 10 PENSION BENEFITS (CONTINUED)

The University will recognize the \$11,678,540 reported as 2025 SERS deferred outflows of resources resulting from pension contributions after the measurement date, and the \$988,906 reported as 2025 PSERS deferred outflows of resources resulting from pension contributions after the measurement date, as reductions of the respective net pension liabilities in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in the pension expense as follows.

<u>Year Ending June 30,</u>	<u>Amortization</u>	
	<u>SERS</u>	<u>PSERS</u>
2026	\$ 1,357,534	\$ (126,492)
2027	4,205,288	170,982
2028	(1,656,988)	2,217
2029	(530,757)	(20,105)
2030	33,546	-
Total	\$ 3,408,623	\$ 26,602

SERS

Plan Description

SERS is the administrator of the State Employees' Retirement fund, a cost-sharing multiple-employer defined benefit plan. SERS also is the administrator of the State Employees' Defined Contribution Plan, which was established as part of Commonwealth Act 2017-5. Both the defined benefit plan and the defined contribution plan were established by the Commonwealth to provide retirement benefits for employees of state government and certain independent agencies. SERS is a component unit of the Commonwealth and is included in the Commonwealth's financial report as a pension trust fund. SERS issues a publicly available annual financial report that includes financial statements and require supplementary information for the plan. A copy of the report may be obtained from the SERS website at www.sers.pa.gov.

Membership in SERS is mandatory for most state employees. Members and employees of the General Assembly, certain elected or appointed officials in the executive branch, department heads, and certain employees in the field of education are not required, but given the option to, participate.

Benefits Provided

SERS provides retirement, death, and disability benefits. Article II of the Commonwealth's Constitution assigns the authority to establish and amend the benefit provision of the plan to the General Assembly. Cost of Living Adjustments (COLA) are provided ad hoc at the discretion of the General Assembly.

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NOTE 10 PENSION BENEFITS (CONTINUED)

SERS (Continued)

Benefits Provided (Continued)

Employees who were hired prior to January 1, 2011 and retire at age 60 with three years of service, or with 35 years of service if under age 60, are entitled to a normal annual retirement benefit; members of the General Assembly and certain employees classified in hazardous duty positions can retire with full benefits at age 50 with at least three years of service. Act 120 of 2010 (Act 120) preserved all benefits in place for members but mandated a number of benefit reductions for new members effective January 1, 2011 through December 31, 2018.

The benefit reduction included a new class of membership that accrues benefits at 2% of members' final average salary instead of the previous 2.5%. The vesting period changed from 5 to 10 years of credited service, and the option to withdraw lump-sum accumulated deductions was eliminated. The new normal retirement age is 65 for most employees and 55 for members of the General Assembly and certain employees classified in hazardous duty positions. Act 2017-5 preserved all benefits in place for members, but fundamentally changed retirement options for new hires beginning January 1, 2019: most employees who first become SERS members on or after January 1, 2019, must choose from one of two new defined benefit/defined contribution hybrid options or a straight 401(a) defined contribution option.

According to the State Employees' Retirement Code (SERC), all obligations of SERS will be assumed by the Commonwealth should SERS terminate.

Contributions

The contribution rate for both active members and the University depends upon when the active member was hired and what benefits class was selected. Section 5507 of the SERC (71 Pa. C.S. §5507) requires the Commonwealth and other employers whose employees are SERS members to make contributions on behalf of all active members and annuitants to fund the liabilities and provide the annuity reserves required to pay benefits. The SERS funding policy, as set by the SERS Board, provides for periodic active member contributions at statutory rates. The SERS funding policy also provides for periodic employer contributions at actuarially determined rates based on SERS' funding valuation, expressed as a percentage of annual retirement covered payroll, such that the employer contributions, along with employee contributions and an actuarially determined rate of investment return, are adequate to accumulate assets to pay benefits when due. Act 2017-5 includes a savings "plow-back" provision requiring that the annual savings achieved through SERS benefit changes flow back into the Defined Benefit Plan through the employer contributions rate rather than to other non-pension obligations.

For the SERS defined benefit plan, the State System's actuarially determined contribution rate for most active members was 40.33% of active members' annual covered payroll at June 30, 2025, with less common rates ranging between 27.09% and 31.74%, depending upon the defined benefit plan chosen by the employee.

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NOTE 10 PENSION BENEFITS (CONTINUED)

SERS (Continued)

Contributions (Continued)

For the SERS defined benefit/defined contribution hybrid plan, the State System's actuarially determined contribution rate was either 16.84% or 17.09% of annual covered payroll, depending upon the hybrid plan chosen by the employee. In addition, the University was required to contribute to the defined benefit plan 15.54% of the annual covered payroll of employees who selected the straight 401(a) defined contribution plan.

The University's contributions to the SERS defined benefit plan for the year ended June 30, 2025, was \$8,124,784, equal to the required contractual contribution.

The contribution rate of most active members who participate in the SERS defined benefit plan was 6.25% of gross salary, with less common rates ranging between 5% and 9.3% of salary, depending upon when the member was hired and what class of membership was elected. Defined benefit contribution rates for active members who participate in the defined benefit/defined contribution hybrid plan were either 3.25% or 3.5% of gross salary, depending upon what class of membership was elected.

For the SERS defined contribution plan, the University contributed at actuarially determined rates of between 2.0% and 3.5% of active members' annual covered payroll at June 30, 2025, depending upon the plan chosen by the employee. The University recognized SERS defined contribution pension expense of \$4,722,210 for the year June 30, 2025. The vesting period for employer contributions to the defined contribution plan, both for members who participate in the straight 401(a) defined contribution plan and those who participate in one of the defined benefit/defined contribution hybrid plans, is three years. Once money is contributed to the plan, it cannot be removed from the plan, except for making distribution payments to participants. Forfeitures of unvested employer contributions and earnings are invested in the PA Treasury short-term investment fund. The funds are forfeited to the employee's most recent employer and used to offset future contributions to the plan and correct funding discrepancies. Forfeitures seized under the Pension Forfeiture Act are used for administrative expenses of the plan.

The contribution rate to the defined contribution plan for active members who participate in the SERS defined benefit/defined contribution hybrid plan was either 3.25% or 3.5% of gross salary (in addition to the required contributions to the defined benefit plan), depending upon what class of membership was elected. The contribution rate to the defined contribution plan for active members who participate in the straight 401(a) defined contribution plan was 7.5% of gross salary.

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NOTE 10 PENSION BENEFITS (CONTINUED)

SERS (Continued)

Actuarial Methods and Assumptions

Actuarial valuations are performed annually using a December 31 measurement date. Every five years, SERS is required to conduct an actuarial experience study to determine whether the assumptions used in its annual actuarial valuations remain accurate based on current and anticipated demographic trends and economic conditions. *The 19th Investigation of Actuarial Experience* study for the period 2015–2019 was released in July 2020. The actuary, under oversight of the SERS Board, reviewed economic assumptions (such as the assumed future investment returns and salary increases) as well as demographic assumptions (such as employee turnover, retirement, disability, and death rates).

Some assumption adjustments increased projected cost and some decreased it, but the overall result was a slight increase to the net pension liability. The SERS Board adopted the actuarial assumptions set forth in the 19th Investigation of Actuarial Experience at its September 2020 meeting. In addition, SERS reviews its investment return assumption in light of economic conditions every year. At its June 2024 meeting, the SERS Board approved maintaining the assumed investment rate of return at 6.875%. The next SERS actuarial experience review will occur in summer 2025 and will be used for its 2025 annual valuation.

The following methods and assumptions were used in the actuarial valuation for the December 31, 2024, measurement date.

- Entry age actuarial cost method.
- Investments amortized on a straight-line, closed-period basis over five years; assumption changes and noninvestment gains/losses amortized over the average expected remaining service lives of all employees that are provided benefits.
- Inflation of 2.50%.
- Investment return of 6.875%, net of manager fees and including inflation.
- Salary increases based on an average of 4.58%, with a range of 3.30% to 6.95%, including inflation.
- Asset valuation using fair (market) value.
- Mortality rates based on the projected PubG-2010 and PubNS-2010 Mortality Tables, adjusted for actual plan experience and future improvement.
- No cost-of-living adjustments.

The long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of manager fees 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.

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NOTE 10 PENSION BENEFITS (CONTINUED)

SERS (Continued)

Actuarial Methods and Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in SERS' target asset allocation as of December 31, 2024 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Private Equity	16.0 %	6.3 %
Private Credit	7.0 %	5.2
U.S. Equity	37.0 %	5.2
International Developed Equity	14.0 %	5.0
Emerging Markets Equity	2.0 %	5.2
Fixed Income	19.0 %	2.9
Inflation Protection (TIPS)	3.0 %	2.6
Cash	2.0 %	0.5
Total	<u><u>100.00 %</u></u>	

The discount rate used to measure the total SERS pension liability was 6.875%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable for each member and that employer contributions will be made based on rates determined by the actuary and as set by statute. Based on those assumptions, SERS' fiduciary net position was projected to be available to make all projected future benefit payments of current SERS members. The long-term expected rate of return on SERS' investments, therefore, was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the University's proportionate share of the SERS net pension liability at June 30, 2025, calculated using discount rate of 6.875% for 2025, as well as what the SERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.875%) or one percentage point higher (7.875%) than the current rate:

Sensitivity of the University's Proportionate Share of the SERS Net Pension Liability to Changes in the Discount Rate		
One Percent Decrease 5.875%	Current Rate 6.875%	One Percent Increase 7.875%
<u><u>\$ 83,381,589</u></u>	<u><u>\$ 68,248,242</u></u>	<u><u>\$ 44,675,622</u></u>

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NOTE 10 PENSION BENEFITS (CONTINUED)

SERS (Continued)

Proportionate Share

At June 30, 2025, the amount recognized as the University's proportionate share of the SERS net pension liability, measured at December 31, 2024, was \$68,248,242.

The allocation percentage assigned to each participating employer is based on a projected-contribution method. For the allocation of the December 2024 amounts, this methodology applies the most recently calculated contribution rates for fiscal year 2025/26 from the December 31, 2024 funding valuation to the expected funding payroll. At the December 31, 2024, measurement date, the State System's proportion was 3.9837%, a decrease of 0.0791% from its proportion calculated as of the December 31, 2023, measurement date.

PSERS

Plan Description

PSERS is a governmental cost-sharing multiple-employer defined benefit pension plan that provides retirement, disability, and death benefits to public school employees of the Commonwealth. The members eligible to participate in PSERS include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania.

The Public School Employees' Retirement Code (Act No. 96 of October 2, 1975, as amended) (24 Pa. C.S. §§8101–8535) (the Code) is the authority by which PSERS benefits provisions and contribution requirements are established. The Commonwealth's General Assembly has the authority to amend the benefit terms by passing bills in the Senate and House of Representatives and sending them to the Governor for approval. The Code requires contributions by active members, the employer (University), and the Commonwealth. PSERS is a component unit of the Commonwealth and is included in the Commonwealth's financial report as a pension trust fund.

On June 12, 2017, Commonwealth of Pennsylvania Act 5 of 2017 was signed into law. This legislation establishes a new hybrid defined benefit/defined contribution (DC) retirement benefit plan applicable to all school employees who become new members of PSERS on July 1, 2019 and thereafter. The three new plan design options under Act 5 include two hybrid plans consisting of defined benefit and defined contribution components and a stand-alone defined contribution plan. A stand-alone defined benefit plan is no longer available to new members after June 30, 2019.

PSERS issues a comprehensive annual financial report that may be obtained at www.psers.pa.gov.

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NOTE 10 PENSION BENEFITS (CONTINUED)

PSERS (Continued)

Benefits Provided

Members who joined prior to July 1, 2011, are eligible for monthly retirement benefits upon reaching age 62 with at least one year of credited service, age 60 with 30 or more years of credited service, or any age with 35 or more years of service. Act 120 preserved the benefits of members who joined prior to July 1, 2011, and introduced benefit reductions for individuals who become new members on or after July 1, 2011, by creating two new membership classes: Class T-E and Class T-F. To qualify for normal retirement, Class T-E and Class T-F members must complete a minimum of 35 years of service with a combination of age and service that totals 92 or greater, or they must work until age 65 with a minimum of three years of service.

Depending upon membership class, benefits are generally between 1% to 2.5% of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. Members who joined prior to July 1, 2011, vest after completion of five years of service and may elect early retirement benefits. Class T-E and Class T-F members vest after completion of 10 years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or has at least five years of credited service (10 years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Member Contributions

Active members who joined PSERS prior to July 22, 1983, contribute 5.25% (Class T-C members) or 6.50% (Class T-D members) of the member's qualifying compensation. Members who joined PSERS on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Class T-C) or at 7.5% (Class T-D) of the member's qualifying compensation. Members who joined PSERS after June 30, 2001, and before July 1, 2011, contribute 7.5% (Class T-D). For these hires and for members who elected Class T-D, the 7.5% contribution rate began with service rendered on or after January 1, 2002. Members who joined PSERS after June 30, 2011, contribute at the rate of 7.5% (Class T-E) or 10.3% (Class T-F) of their qualifying compensation. Class T-E and Class T-F members are subject to a "shared risk" provision in Act 120 that could cause the rate in future years to fluctuate between 7.5% and 9.5% for Class T-E and 10.3% and 12.3% for Class T-F.

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NOTE 10 PENSION BENEFITS (CONTINUED)

PSERS (Continued)

Employer Contributions

The University's contractually required contribution rate for PSERS for fiscal year ended June 30, 2025 was 33.09% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Per §8327 of the Code, the Commonwealth is required to contribute 50% of the contribution rate directly to PSERS on behalf of the University, meaning that the amount that the University actually contributed was 16.545% of covered payroll. The University's contribution to PSERS for the year ending June 30, 2025 was \$811,360, equal to the required contractual contribution.

For the PSERS defined contribution plan, the State System is required to contribute at actuarially determined average rate 0.27% of active members' annual covered payroll for the year ended June 30, 2025, depending upon the plan chosen by the employee. Members were first eligible to choose the defined contribution plan on July 1, 2019. There were no contributions for the year ended June 30, 2024.

Actuarial Assumptions

The University records its PSERS pension liability annually utilizing a measurement date one year prior to its fiscal year end. The total PSERS pension liability as of June 30, 2024 was determined by rolling forward PSERS' total pension liability at the June 30, 2023 measurement date to June 30, 2024, using the following actuarial assumptions applied to all periods included in the measurement:

- Valuation date - June 30, 2023.
- Actuarial cost method is entry age normal, level percent of pay.
- Investment return of 7.00% with 2.50% inflation.
- Salary increases based on an effective average of 4.5%, which comprises a 2.50% allowance for inflation and 2.00% for real wage growth and merit or seniority increases.
- Mortality rates based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP2020 Improvement Scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. 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.

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NOTE 10 PENSION BENEFITS (CONTINUED)

PSERS (Continued)

Actuarial Assumptions (Continued)

PSERS' policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board of Trustees. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension. Following is the PSERS Board of Trustees' adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2024.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Public Equity	30.0 %	4.8 %
Private Equity	12.0	6.7
Fixed Income	33.5	3.9
Commodities	5.0	2.5
Infrastructure/MLPs	10.0	6.4
Real Estate	9.5	5.9
Total	<u>100.0 %</u>	

The discount rate used to measure the total PSERS pension liability was 7.00% at June 30, 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, PSERS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on PSERS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the University's proportionate share of the PSERS net pension liability at June 30, 2025, calculated using the discount rate of 7.00%, as well as what the PSERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

Sensitivity of the University's Proportionate Share of the PSERS Net Pension Liability to Changes in the Discount Rate		
One Percent Decrease 6.00%	Current Rate 7.00%	One Percent Increase 8.00%
\$ 7,781,047	\$ 5,906,757	\$ 4,324,146

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NOTE 10 PENSION BENEFITS (CONTINUED)

PSERS (Continued)

Proportionate Share

At June 30, 2025, the amount recognized as the University's proportionate share of the PSERS net pension liability, plus the related PSERS pension support provided by the Commonwealth, is as follows:

Total PSERS Net Pension Liability Associated with the University	\$ 11,813,514
Commonwealth's Proportionate Share of the PSERS Net Pension Liability Associated with the University	<u>(5,906,757)</u>
University's Proportionate Share of the PSERS Net Pension Liability	<u><u>\$ 5,906,757</u></u>

At June 30, 2025, PSERS measured net pension liabilities as of June 30, 2024. PSERS calculated the employer's proportion of the net pension liability using the employer's one-year reported covered payroll in relation to all participating employers' one-year reported covered payroll.

At June 30, 2024, the University's proportion was 0.1811%, an increase of 0.0023% from its proportion calculated as of June 30, 2023.

ARP

The ARP is a defined contribution plan administered by the State System. Benefits equal amounts contributed to the plan plus investment earnings. Act 188 empowers the Board to establish and amend benefits provisions. The State Employees' Retirement Code establishes the employer contribution rate for the ARP, while the board establishes the employee contribution rates. Active members contribute at a rate of 5% of their qualifying compensation. The State System recognizes annual pension expenditures equal to its contractually required contributions to the plan. The University's contribution rate on June 30, 2025 was 9.29% of qualifying compensation. The contributions to the ARP for the year ended June 30, 2025 were \$3,702,970, from the University and \$1,992,987 from active members. No liability is recognized for the ARP.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 11 WORKERS' COMPENSATION

The University participates in the State System's self-insured workers' compensation plan. For claims occurring prior to July 1, 1995, the University is responsible for claims up to \$100,000; for claims occurring on or after July 1, 1995, the University is responsible for claims up to \$200,000. Claims in excess of the self-insurance limits are funded through the Workers' Compensation Collective Reserve Fund (Reserve Fund) to which all State System universities contribute an amount determined by an independent actuarial study. Based on updated actuarial studies, the University contributed \$36,672 to the Reserve Fund during the year ended June 30, 2025.

Changes in the University's claims liability for the fiscal year 2025 are as follows:

Balance - July 1	\$ 700,701
Current Year Claims and Changes in Estimate	58,223
Payments	<u>(245,250)</u>
Balance - June 30	<u><u>\$ 513,674</u></u>

NOTE 12 BENEFICIAL INTERESTS

At June 30, 2025, the fair value of beneficial interests totaled \$9,517,355, representing gifts that donors placed in trust in perpetuity with third parties, with the University receiving a restricted revenue stream in accordance with the donors' wishes.

NOTE 13 CONTINGENCIES

The nature of the educational industry is such that, from time to time, the University is exposed to various risks of loss related to torts; alleged negligence; acts of discrimination; breach of contract; labor disputes; disagreements arising from the interpretation of laws or regulations; theft of, damage, and destruction of assets; errors and omissions; injuries to employees and natural disasters. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services in a higher education system.

The University is self-insured for workers' compensation up to stated limits (see Note 11). For all other risks of loss, the University pays annual premiums to the Commonwealth to participate in its Risk Management Program. The University does not participate in any public entity risk pools and does not retain risk related to any aforementioned exposure, except for those amounts incurred relative to policy deductibles that are not significant. The University has not significantly reduced any of its insurance coverage from the prior year.

At times, settled claims may exceed the University's insurance coverage. It is not expected that the resolution of any outstanding claims and litigation will have a material adverse effect on the accompanying financial statements.

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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JUNE 30, 2025**

NOTE 13 CONTINGENCIES (CONTINUED)

The University receives support from federal and Commonwealth grant programs, primarily for student financial assistance. Entitlement to the resources requires compliance with terms of the grant agreements and applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. As of June 30, 2025, the University estimates that adjustments, if any, as a result of such audits would not have a material adverse effect on the accompanying financial statements.

Construction Commitments

Authorized expenditures for construction projects unexpended as of June 30, 2025 were \$531,726.

Labor Concentration

Approximately 84% of PASSHE's full-time equivalent (FTE) employees are covered by nine collective bargaining agreements. During 2023-24, new collective bargaining agreements were established for the State System's clerical, administrative, technical, maintenance and trade employees with American Federation of State, County, and Municipal Employees (AFSCME); State System's social workers with Service Employees International Union (SEIU); Association of Pennsylvania State College and University Faculties (APSCUF); State College & University Professional Association (SCUPA); APSCUF Non-Faculty Athletic Coaches and Office of Professional Employees International Union Healthcare Pennsylvania (OPEIU) which covers nursing positions. The new agreement with the Pennsylvania Doctors Alliance (PDA) is awaiting ratification. All of these agreements are effective July 1, 2023 through June 30, 2027. During 2022-23, new collective bargaining agreements were established for police supervisors and security officers with the International Union, Security, Police, and Fire Professionals of America (SPFPA) and PASSHE Officers Association (POA) through August 31, 2025.

NOTE 14 RATING ACTIONS

In February 2025, Moody's Ratings maintained the State System's bond rating of Aa3, and stable outlook. The stable outlook reflects Moody's expectations that continued successful execution of the system redesign initiative will enhance prospects for sustainability, aligning expense structures to anticipated smaller enrollment levels, as noted earlier in the Enrollment section. The outlook also reflects expectations of continued strong liquidity, growing Commonwealth financial support and steady declines in bonded debt. At the same time, Moody's maintained the State System's Environmental, Social, and Governance (ESG) and Credit Impact Scores (CIS) of CIS-3. CIS-3 indicates that ESG considerations have a limited impact on the current credit rating, with potential for greater negative impact over time. Strong fiscal management and significant financial resources partly mitigate ESG risk exposure. In February 2025, Fitch Ratings reviewed the State System's rating of A+ with stable outlook, and no rating change was made.

MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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NOTE 15 RIGHT-TO-USE LEASES, SUBSCRIPTION AGREEMENTS, AND FINANCED PURCHASES

The University routinely leases various facilities and equipment and enters into subscription-based information technology arrangements (SBITAs) instead of purchasing the assets. The contracts, at times, may include variable payments, residual value guarantees, or termination penalties that are not known or certain to be exercised at the time of the lease or subscription liability valuation. These are recognized as expenses in the period that they occur. There were no variable payments, termination penalties, or residual guarantee payments expensed for the fiscal year ended June 30, 2025.

The following schedule provides future minimum principal and interest payments to maturity for financed purchases, right of use leases and SBITAs.

	Financed Purchases		Right-to-Use Leases With Third Parties		Subscription Agreements	
	Principal	Interest	Principal	Interest	Principal	Interest
<u>Fiscal Year Ending June 30,</u>						
2026	\$ 620,844	\$ 57,681	\$ 1,097,715	\$ 69,192	\$ 1,657,265	\$ 72,187
2027	656,087	34,236	960,810	38,936	885,376	34,913
2028	677,446	10,017	921,652	10,530	455,046	15,124
2029	154,628	3,632	-	-	319,245	2,188
2030	-	-	-	-	-	-
Total	\$ 2,109,005	\$ 105,566	\$ 2,980,177	\$ 118,658	\$ 3,316,932	\$ 124,412

The following summary provides aggregated information reported for June 30, 2025 financed purchases and right of use lease liabilities, including additions, reductions and reported liabilities for the years then ended.

	Balance as of June 30, 2024	2024-25 Additions	2024-25 Reductions	Balance as of June 30, 2025
Financed Purchases	\$ 1,941,080	\$ 741,359	\$ (573,434)	\$ 2,109,005
Lease Liability - Third Parties	5,267,357	(977,725)	(1,309,455)	2,980,177
Subscription Assets	2,663,749	2,814,346	(2,161,163)	3,316,932
Total	\$ 9,872,186	\$ 2,577,980	\$ (4,044,052)	\$ 8,406,114

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Changes in the University's Proportionate Share of the System Plan Total OPEB Liability		Fiscal Year Ending <u>June 30, 2025</u>
Total OPEB Liability - Beginning Balance		\$ 71,163,538
Service Cost		1,999,008
Interest		2,955,484
Changes in Benefit Terms		-
Net Differences Between Actual and Expected Experience		(8,730,706)
Changes in Assumptions		(797,370)
Benefit Payments		<u>(1,945,257)</u>
Net Changes		<u>(6,518,841)</u>
Total OPEB Liability - Ending Balance		<u><u>\$ 64,644,697</u></u>
 Covered Employee Payroll		\$ 40,999,910
OPEB Liability as a Percent of Covered Payroll		157.67%

Note to Schedule: *The System plan has no plan assets accumulated in a trust in which the employer contributions are irrevocable, are dedicated to providing OPEB to plan members, or are legally protected from creditors.*

Schedule of Proportionate Share of REHP Net OPEB Liability
Determined as of June 30 Measurement Dates
(In Thousands)

Fiscal Year	State System's Proportion	University's Proportion Share	University's Covered Employee Payroll	Share of Net OPEB Liability as a Percent of Covered- Employee Payroll	REHP's Fiduciary Net Position as a Percent of Total OPEB Liability
2017/18	4.374 %	\$ 79,495	\$ 10,838	733.5 %	1.4 %
2018/19	4.483	59,749	10,657	560.7	2.2
2019/20	4.370	41,449	10,643	389.4	3.8
2020/21	4.275	48,575	10,710	453.6	3.7
2021/22	4.275	38,695	9,837	393.4	3.7
2022/23	3.650	35,050	9,830	356.6	5.9
2023/24	3.029	24,313	10,846	224.2	8.8
2024/25	3.526	25,179	10,703	235.3	11.6

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REHP Schedule of Contributions
 (In Thousands)

Fiscal Year	Contractually Required Contributions	Contributions Recognized by SERS REHP	Deficiency (Excess)	Covered- Payroll	Contributions as a Percent of Covered- Employee Payroll
2017/18	\$ 1,946	\$ 1,946	\$ -	\$ 12,854	15.14 %
2018/19	2,349	2,349	-	13,215	17.78
2019/20	1,805	1,805	-	12,719	14.19
2020/21	974	974	-	11,888	8.19
2021/22	894	894	-	12,269	7.29
2022/23	856	856	-	12,740	6.72
2023/24	1,915	1,915	-	13,181	14.53
2024/25	1,739	1,739	-	12,899	13.49

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(UNAUDITED)
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Schedule of Proportionate Share of PSERS Net OPEB Liability

Determined as of June 30 Measurement Date

(In Thousands)

Fiscal Year	PSERS Net OPEB Liability					University's Covered Employee Payroll	University's Proportionate Share of Net OPEB Liability as a Percent of Covered- Employee Payroll	PSERS Fiduciary Net Position as a Percent of Total OPEB Liability
	State System's Proportion	University's Proportion Share	Commonwealth's Proportion Share	Total				
2017/18	0.18 %	\$ 296	\$ 296	\$ 592	\$ 3,873		7.65 %	5.73 %
2018/19	0.18	295	295	590	3,804		7.74	5.56
2019/20	0.19	318	318	636	4,126		7.71	5.56
2020/21	0.19	317	317	634	4,120		7.70	5.69
2021/22	0.19	300	300	601	3,594		8.36	5.69
2022/23	0.18	246	246	491	3,925		6.26	6.86
2023/24	0.18	258	257	516	4,366		5.90	7.22
2024/25	0.18	287	287	574	5,130		5.59	7.13

PSERS Schedule of Contributions
(in Thousands)

Fiscal Year	Contractually Required Contributions	Contributions Recognized by PSERS	Contribution Deficiency (Excess)	Covered- Payroll	Contributions as a Percent of Covered-Employee Payroll
2017/18	\$ 16	\$ 16	\$ -	\$ 3,946	0.40 %
2018/19	17	17	-	4,308	0.40
2019/20	17	17	-	4,287	0.41
2020/21	15	15	-	3,919	0.39
2021/22	16	16	-	4,150	0.38
2022/23	16	16	-	4,493	0.36
2023/24	17	17	-	4,740	0.35
2024/25	15	15	-	5,191	0.30

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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Schedule of Proportionate Share of SERS Net Pension Liability (NPL)
Determined as of December 31, Measurement Date
(In Thousands)

Fiscal Year	State System's Proportion	University's Proportionate Share	University's Covered Employee Payroll	University's Proportionate Share of NPL as a Percent of Covered-Employee Payroll	SERS Fiduciary Net Position as a Percent of Total Pension Liability
2014/15	4.901 %	\$ 59,723	\$ 24,359	245 %	64.800 %
2015/16	4.721	70,203	24,348	288	58.900
2016/17	4.837	76,256	24,622	310	57.800
2017/18	4.906	71,289	25,974	275	63.000
2018/19	4.897	84,007	26,229	320	56.400
2019/20	4.773	72,805	26,431	276	63.100
2020/21	4.419	66,711	24,576	271	67.000
2021/22	4.178	49,742	22,838	218	76.000
2022/23	4.150	80,499	24,075	334	61.500
2023/24	4.063	74,904	25,138	298	56.300
2024/25	3.984	68,248	25,138	272	67.700

SERS Schedule of Contributions
(In Thousands)
Determined as of June 30, Fiscal Year-End

Fiscal Year	Contractually Required Contributions	Contributions Recognized by SERS	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percent of Covered-Employee Payroll
2014/15	\$ 4,691	\$ 4,691	\$ -	\$ 24,359	19.3 %
2015/16	5,650	5,650	-	23,863	23.7
2016/17	7,038	7,038	-	25,132	28.0
2017/18	7,801	7,801	-	24,840	31.4
2018/19	8,173	8,173	-	26,212	31.2
2019/20	8,008	8,008	-	25,217	31.8
2020/21	7,636	7,636	-	23,717	32.2
2021/22	7,752	7,752	-	24,097	32.2
2022/23	8,072	8,072	-	24,988	32.3
2023/24	8,435	8,435	-	24,725	34.1
2024/25	8,125	8,125	-	24,720	32.9

**MILLERSVILLE UNIVERSITY OF PENNSYLVANIA
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Schedule of Proportionate Share of PSERS Net Pension Liability (NPL)

Determined as of June 30 Measurement Date

(In Thousands)

Fiscal Year	PSERS Net Pension Liability				University's Covered- Employee Payroll	University's Share of NPL as a Percent of Covered-Employee Payroll	PSERS Fiduciary Net Position as a Percent of Total Pension Liability
	State System's Proportion	University's Proportionate Share	Commonwealth's Proportion Share	Total			
2014/15	0.1785 %	\$ 6,223	\$ 6,223	\$ 12,446	\$ 2,006	310 %	57.2 %
2015/16	0.1852	7,021	7,021	14,042	4,172	200	54.4
2016/17	0.1833	7,347	7,347	14,694	3,841	200	50.1
2017/18	0.1811	7,220	7,220	14,439	3,893	200	51.8
2018/19	0.1836	6,667	6,667	13,335	3,740	200	54.0
2019/20	0.1836	7,008	7,008	14,017	4,132	200	55.7
2020/21	0.1856	7,218	7,218	14,437	6,850	1100	54.3
2021/22	0.1777	5,307	5,307	10,613	614	900	63.7
2022/23	0.1788	5,995	5,995	11,989	672	900	61.3
2023/24	0.1834	6,317	6,317	12,635	744	800	61.9
2024/25	0.1811	5,907	5,907	11,814	741	800	64.6

PSERS Schedule of Contributions

(In Thousands)

Determined as of June 30, Fiscal Year-End

Fiscal Year	Contractually Required Contributions	Contributions Recognized by PSERS	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percent of Covered- Employee Payroll
2014/15	\$ 458	\$ 458	\$ -	\$ 4,172	11.0 %
2015/16	486	486	-	3,929	12.4
2016/17	574	574	-	4,015	14.3
2017/18	596	596	-	3,946	15.1
2018/19	680	680	-	4,308	15.8
2019/20	693	693	-	4,287	16.2
2020/21	636	636	-	3,919	16.2
2021/22	671	671	-	4,150	16.2
2022/23	723	723	-	4,493	16.1
2023/24	739	739	-	4,740	15.6
2024/25	811	811	-	5,191	15.6



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