



Audit Committee Meeting

March 19, 2026 at 10:45 AM (EST)

Plymouth State University, Centre Lodge-Granite Room
Plymouth



2026 March 19 Audit Committee

MEETING AGENDA - March 19, 2026 at 10:45am

I. Meeting Information

Physical location: Plymouth State University,
Centre Lodge-Granite Room

Meeting URL: [https://zoom.us/j/92490858542?
pwd=ji0WMEwwKb7fvqC4vnTvd3ZlClauHk.1](https://zoom.us/j/92490858542?pwd=ji0WMEwwKb7fvqC4vnTvd3ZlClauHk.1)

Call in: 1 646 931 3860

Meeting ID: 924 9085 8542

Passcode: 702119

II. Audit Committee Members

Peter T. Paul, Chair

David Westover, Vice Chair

Joel Nkounkou

Jennifer Higgins Pitre

The Governor (by Statute)

III. Call to Order

10:45-
10:50 am

IV. Approval of Consent Agenda Items

MOVED, that the Consent Agenda Items be
approved.

A. Approve Minutes of October 23, 2025 Meeting

1. AC 10-23-2025 DRAFT Minutes.pdf - 6

B. Enterprise Risk Management (ERM) Update on Compliance

1. ERM update on Compliance summary
sheet and risk monitoring report.pdf - 10

C. Accept Internal Audit Reports Issued

1. UNH Financial Conflict of Interest in
Research Audit Report.pdf - 13
2. Confidential - UNH CHHS Data Security
Review Report.pdf - 25
3. Confidential - USNH Sponsored Accounts

10:50 -
11:15 am

V. Items for Committee Consideration and Action

A. Accept External Auditors' FY25 Uniform Guidance Audit Reports on USNH Federal Expenditures (15 mins); Full report is under Informational Items

MOVED, on recommendation of the Chancellor, that the University System of New Hampshire Auditors' Reports from CLA for the year ended June 30, 2025, as required by Title 2 of the U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Government Auditing Standards and Related Information, be accepted.

1. FY25 Uniform Guidance Single Audit Results Presentation.pdf - 64
2. Uniform Guidance Single Audit motion sheet.pdf - 72
3. FY25 Uniform Guidance Single Audit corrective action plans - UNH, KSC, PSU.pdf - 74

B. Approve appointment of CliftonLarsonAllen (CLA) as external auditors and CLA's Fiscal Year 2026 audit plan covering USNH financial statements and federal awards under Uniform Guidance (10 mins)

MOVED, on recommendation of the Chancellor, that CliftonLarsonAllen LLP be confirmed as the external auditor for the University System of New Hampshire to provide audit services related to activities of fiscal year ending June 30, 2026.

1. CLA FY26 Audit Plan Presentation.pdf - 80
2. CLA External auditors motion sheet.pdf - 94
3. CLA Statement of Work - Engagement Letter.pdf - 97

11:15 am
-12:10 pm

VI. Items for Committee Consideration and Discussion

A. Receive USNH Environmental Health and Safety Council's 2025 Annual Report (15 mins)

1. EHS 2025 Annual Report Presentation.pdf - 109
2. [EHS 2025 Annual Report](#)

B. Receive Annual Report on Title IX Compliance (20 mins)

1. Title IX Presentation 2026.pdf - 125
2. Title IX Report 2026.pdf - 133

C. ERP Program Update (15 mins)

1. ERP Program Update.pdf - 137

D. Status of Outstanding Audit Issues (5 mins)

1. Status of outstanding audit issues and summary sheet.pdf - 142

5 mins.

VII. Nonpublic Session

MOVED, that the Audit Committee go into nonpublic session for the purpose of discussing matters which if discussed in public would likely affect adversely the reputation of a person or persons, who are not members of this committee authorized by RSA 91-A:3, II(c).

A. Nonpublic Session summary sheet.pdf - 159

VIII. Other Business

A. Chair or Committee comments

B. Next scheduled meeting: June 25, 2026 at UNH in Durham

IX. Adjourn

X. Informational Items

A. Informational Items transition page.pdf - 160

B. Uniform Guidance Single Audit FY25 Report.pdf - 161



AUDIT COMMITTEE
OCTOBER 23, 2025

KEENE STATE COLLEGE
KEENE, NEW HAMPSHIRE

MEETING MINUTES
Draft for Approval

Committee members physically present: Chair Peter T. Paul, Joel Nkounkou, Jennifer Higgins Pitre

Other Trustees physically present: Gregg Tewksbury, Michael Pilot, Cathy Provencher (arrived at 11:20 a.m.)

Other Trustees participating virtually: Sen. James Gray

Other participants participating in person: (USNH) Kara Bean, Ashish Jain, Karen Benincasa, Francine Ndayisaba; (KSC) Nathalie Houder; (UNH) Matt MacManes; (CLA) Andy Lee

Other participants participating virtually: John Corbet, (CLA) Christina Dooley

I. Call to Order

At 10:47 a.m., Committee Chair Paul called the meeting to order. Chair Paul called the roll and noted the presence of a quorum sufficient for the conduct of business.

II. Approval of Consent Agenda Items

Chair Paul asked the committee members if they had any comments or questions about the consent agenda items; there were none.

Items on the consent agenda appear below:

- A. Minutes of June 26, 2025 Meeting
- B. FY25 Financial Statements and Audit Report/Comments for UNH Foundation
- C. Internal Audit Reports Issued
 1. USNH 403b and 457b Plans Recommendations
 2. Confidential – USNH Network Security Audit Report

III. Items for Committee Consideration and Action

A. Approve FY25 University System of New Hampshire Financial Statements

B. Review FY25 Audit Report and Comments from CLA

Karen Benincasa, Vice Chancellor for Financial Affairs & Treasurer, and Francine Ndayisaba, Assistant Vice Chancellor, Financial Affairs & Controller presented the financial statements.

Ms. Benincasa noted that this was a challenging year for timely release of the financial statements due to mid-year conversion of the financial system and staffing challenges. Timeliness of reconciliation and audit documentation resulted in a significant deficiency. Ms. Benincasa agrees with the finding, noting that difficult prioritization decisions had to be made. She commended her team, especially Francine Ndayisaba, Assistant Vice Chancellor, Financial Affairs & Controller, for all of their hard work to get the statements released on time given all of the challenges this year. Lastly, Ms. Benincasa stated that improvements are being made (additional training, hiring more experienced professional staff, leveraging resources) to improve the audit process and financial services overall.

Francine Ndayisaba discussed FY25 financial results. USNH had a negative operating margin of \$7M which can be attributed to an increase in non-grant expenses primarily due to medical claims and an increase in student financial aid while tuition stayed flat. Unrestricted financial resources (UFR) increased \$29M primarily due to an increase in auxiliary reserves, and recovery of over accrued CERP costs. Increases in medical claims resulted in a negative cash flow. USNH adopted GASB 101 Compensated Absences but it did not impact the financial statements.

Andy Lee and Christina Dooley from CLA presented the audit results.

Mr. Lee briefly reviewed the scope of services and the audit process.

Ms. Dooley stated that the USNH Financial Statement audit resulted in an unmodified opinion (“clean opinion”) on the financial statements and no material weaknesses, acknowledging the significant deficiency. One uncorrected adjustment was also noted, which was a FY24 adjustment corrected in the FY25 financial statements (as opposed to restating the FY24 financial statements). CLA concluded that management has a reasonable basis for significant judgements and estimates. There were no disagreements with management and no consultations with other independent accountants.

Mr. Lee stated that the Uniform Guidance Audit is in progress. The focus will be on Student Financial Assistance (SFA) Cluster. Testing is underway and on track to be substantially complete by the end of the year. There are no findings to date. Mr. Lee pointed out that release of the compliance supplement is significantly delayed; the draft supplement is being utilized in the meantime.

Mr. Lee briefly discussed industry insights and emerging issues including impacts of the One Beautiful Bill Act affecting students, economics and compliance. Most notable are the elimination of Graduate PLUS loans and Form 1099 increases.

GASB 103 – Financial Reporting Module, relative to financial statement presentation, has an effective date of June 30, 2026. This requirement will affect the Management Discussion & Analysis and Pell Grant reporting.

CLA is holding a free higher education virtual conference in February.

The following motion was made by Trustee Paul, duly seconded, discussed, and approved with no votes abstained or dissenting.

***VOTED**, on recommendation of the Chancellor, that the USNH Financial Statements for the fiscal year ended June 30, 2025 be approved and forwarded to the Board of Trustees with the following recommended action:*

***MOVED**, on recommendation of the Audit Committee, that the USNH Financial Statements for the fiscal year ended June 30, 2025 be accepted and forwarded to the Governor, the Legislative Fiscal Committee, and others as specified in state law RSA 187-A:22.*

IV. Items for Committee Consideration and Discussion

A. Status of Outstanding Audit Issues

Mr. Jain shared the status of significant open audit issues from the past internal audit reports. There has been a special focus on the remediation of old outstanding audit issues. Progress is being made.

V. Non-public Session

At 11:34 a.m., on motion moved by Trustee Paul and duly seconded, the committee voted unanimously by roll call to go into non-public session for the purposes indicated:

***VOTED**, that the Audit Committee go into non-public session for the purpose of discussing: (1) matters which if discussed in public would likely affect adversely the reputation of a person or persons, who are not members of this committee and (2) involve consideration of confidential information systems and pending risk mitigation strategies, as authorized by RSA 91-A:2, I(b), RSA 91-A:3, II(c) and (j), and RSA 91-A:5 XI..*

At 12:15 p.m., on motion moved by Trustee Paul and duly seconded, the committee voted unanimously to return to public session. Chair Paul announced the committee did not take any votes or make any decisions while in non-public session.

The following motion was made by Trustee Paul, duly seconded, discussed, and approved (by over 2/3 majority) with no votes abstained or dissenting.

***VOTED**, pursuant to RSA 91-A:3.III, that the minutes of the nonpublic session be sealed indefinitely because divulgence of the information would adversely affect the reputation of a person other than a member of the Committee.*

VI. Other Business

Chancellor Provencher acknowledged the exemplary work of Francine Ndayisaba and her team on the financial statements.

VII. Adjournment

There being no further business, the meeting adjourned at 12:17 p.m.

-- End of Audit Committee Meeting Minutes --

UNIVERSITY SYSTEM OF NEW HAMPSHIRE
BOARD OF TRUSTEES

Audit Committee

Information Item
Supporting Materials Summary Sheet

University System of New Hampshire

To: Audit Committee

Re: ERM Update on Compliance– **For Information, No Action Required**

SUPPORTING MATERIALS (attached) – SUMMARY AND SALIENT INFORMATION

At the February 26, 2026 meeting, the Presidents' Council reviewed risk mitigation efforts relating to Compliance. USNH General Council, Pimentel noted that while new federal executive orders have slowed, significant federal rulemaking is expected in the year to come. In particular, new gainful employment draft regulations are expected shortly. These will require significant staff work in the fall and may have long-term financial consequences. The Council also discussed how recent leadership turnover can present compliance challenges. The monitoring report is attached.

SUBMITTED AND APPROVED BY:

Catherine A. Provencher
Chancellor

Date Prepared: March 10, 2026

For the Meeting of: March 19, 2026

-- End of Summary Sheet --



ENTERPRISE RISK MANAGEMENT

**Risk Monitoring Report to the
Board of Trustees'**

Updated February 2026 for March 2026 Meeting

Process for Management of Enterprise Risks:

Subject matter experts throughout the organization, monitor and surface new or changed compliance obligations. General Counsel's Office advises on scope and potential impact of new or changed obligations, with particularly high-profile risks raised with Presidents' Council. Ongoing management of compliance responsibilities sits with the leaders of each department involved.

Summary of the Mitigation Plans for Enterprise Risks (*Mitigation plan and progress comments columns are updated periodically. Other columns flow from the Annual ERM Report.*):

Risk Area	Accountable Office	Risk Description	ERM Champion	Likelihood	Impact	Management/ Mitigation Plan	Presidents' Council Assessment Comments
Compliance	Presidents	<ul style="list-style-type: none"> Lack of central system compliance office/officer can lead to gaps in compliance management. Pending state legislation could increase compliance 	Chad Pimentel	<p>Medium</p> <p>Low (through end of GY)</p>	<p>High</p> <p>Medium</p>	<p>Review of shared services process to include opportunities for greater coordination in compliance activities</p> <p>Continued engagement with</p>	PC to consider specific opportunities in the next six months.

		<p>obligations in operations.</p> <ul style="list-style-type: none"> • Increased procedural requirements for student and faculty discipline; increased and unclear limitations on management of protests and outside events. • New “gainful employment” federal disclosure and program funding limitations require significant staff time to manage despite flat-to-reduced headcounts throughout the System, risking distraction from other areas. • Turnover and staff limitations in grant management staff increase risk to institutional research operations. 		<p>Low</p> <p>High</p> <p>High</p>	<p>Medium</p> <p>High</p> <p>Medium</p>	<p>legislature, which this term successfully limited many of the potential new obligations.</p> <p>See above—any new state law obligations have been delayed. Campus protest levels have returned to historical levels.</p> <p>Continue to monitor proposed federal implementing regulations. Factor results of federal evaluation into program review process.</p> <p>Volume of federal grant cancellations has slowed but processing of new grants remains an open question</p>	<p>N/A</p> <p>N/A</p> <p>The PC expressed concern about the workload required and the potential financial impacts in the future. Will continue to receive updates.</p> <p>PC has continuously discussed new federal grant requirements to manage risk.</p>
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University of New Hampshire
Financial Conflict of Interest in Research

Report Issued January 8, 2026

January 8, 2026

Dr. Elizabeth S. Chilton, President
University of New Hampshire
Durham, New Hampshire 03824

Dear President Chilton:

This letter conveys our report on the UNH Financial Conflict of Interest in Research (FCOIR).

As communicated in our engagement letter of June 6, 2025, the primary objective of the audit is to obtain reasonable assurance whether the controls surrounding the financial conflict of interest process for research projects are effective and adequate to meet Uniform Guidance and grant requirements.

This report reflects our observations, which were discussed with members of UNH management, and their action plans in response to our recommendations. It is being distributed to the individuals listed below and will be presented to members of the Audit Committee of the University System of New Hampshire (USNH) at its next scheduled meeting. It is also available for review by external auditors of USNH.

We appreciated the full cooperation and assistance we received from Melissa McGee, Assistant Director, RIS, with whom Yasmin Clark, Internal Audit Manager, worked most closely as she conducted the fieldwork for this audit.

Please feel free to contact me with any comments, questions, or suggestions you may have.

Sincerely,

Ashish Jain
Director of Internal Audit

Distribution:

Karen Benincasa, Vice Chancellor for Financial Affairs and Treasurer, USNH
Louise Griffin, Associate Vice President & Chief Research Administration Officer, UNH
Jennifer Miksis-Olds, Interim Vice President for Research and Innovation, UNH
Jen Riley, Provost and Executive Vice President for Academic Affairs, UNH
Julie Simpson, Director, Research Integrity Services, UNH

I. Executive Summary

We performed an audit of the Financial Conflict of Interest in Research (FCOIR) at the University of New Hampshire (UNH). We noted that out of seven FCOIR currently identified by UNH RIS, four¹ management plans were in draft and were not finalized and approved. Federal regulations and UNH policies require approved management plans prior to the expenditure of any funds. We recommend management plans are finalized, approved, and implemented in a timely manner.

Annual updates to conflict-of-interest disclosures are manually tracked for the U.S. Public Health Service (PHS) and the U.S. Department of Energy (DoE) grants. This manual tracking spreadsheet is prone to errors. We also noted that 12 investigators did not complete their annual disclosure update, as related projects were not included on this manual tracking spreadsheet. Furthermore, NASA awards were not tracked for annual updates, as required under NASA's conflict of interest policy. We recommend enhancing annual disclosure reporting process to ensure UNH is compliant with all applicable federal requirements and all required conflict disclosures are received and reviewed in a timely manner.

We also recommend expanding the existing conflict of interest disclosure process to include non-financial conflict of interest in research. In addition, we recommend formally determining who is responsible for the reporting and managing of this non-financial conflict of interest in research. There is currently no formal process in place to obtain this information from investigators, and the responsibility for managing these non-financial conflicts (outside the FCOIR process) has not been formally determined.

The existing two UNH Financial Conflict of Interest in Research policies, originally designed for PHS and non-PHS compliance, do not fully reflect updated federal requirements and guidelines. In addition, the Disclosure Review Committee (DRC) referenced within these policies is no longer active. We also noted that the current non-PHS policy does not mandate annual disclosures from investigators, as updated federal guidelines (DoE, NASA) require annual disclosures. We recommend enhancing the existing UNH policies and procedures for conflict of interest in research to comply with federal requirements and mandates.

II. Background

The University of New Hampshire (UNH) maintains a Financial Conflict of Interest in Research program with the goal of safeguarding the integrity of its externally funded research and ensuring compliance with applicable federal regulations. The program requires the disclosure of significant financial interests (SFIs) and the management of those interests when they are determined to constitute actual or potential conflicts of interest in research.

A financial conflict of interest in research exists when it can be reasonably determined that an investigator's personal financial interests could directly and significantly affect the design, conduct, or reporting of sponsored research activities. The FCOIR program is administered by UNH Research Integrity Services (RIS).

¹ Two disclosure forms were submitted in 2024 (February 2024 and September 2024) and the remaining two were submitted in May of 2025.

Federal Regulations

Federal regulations governing financial conflicts of interest in research are designed to promote objectivity by establishing standards that provide a reasonable expectation that the design, conduct, and reporting of research funded under federal grants or cooperative agreements will be free from bias. These regulations include:

- 42 CFR Part 50 Subpart F and 45 CFR Part 94, which apply to research funded by the U.S. Public Health Service (PHS) and its awarding components. These rules require investigators to disclose:
 - Any remuneration from a publicly traded entity exceeding \$5,000 in the 12 months prior;
 - Any equity interest in a non-publicly traded entity;
 - Any reimbursed or sponsored travel (i.e., that which is paid on behalf of the investigator and the investigator's spouse or domestic partner, and dependent children, and not reimbursed to the investigator so that the exact monetary value may not be readily available), related to their institutional responsibilities that occurred in the twelve months preceding the disclosure, not including travel that is reimbursed or sponsored by a Federal, state, or local government agency, an Institution of higher education, an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education.
 - Investigators must also complete FCOIR training prior to engaging in PHS-funded research and at least once every four years thereafter as long as they are funded by a PHS agency.
- Other federal agencies, such as the National Science Foundation (NSF), impose similar but distinct requirements.
- Department of Energy Interim Conflict of Interest Policy: DOE has issued an interim policy that aligns closely with PHS regulations. This new policy establishes standards that provide a reasonable expectation that the design, conduct and reporting of projects funded wholly or in part by the DOE will be free from bias resulting from financial conflicts of interest or organizational conflicts of interest. It applies to all non-Federal entities receiving DOE financial assistance awards (e.g., grants, cooperative agreements) and requires:
 - Disclosure of any financial or organizational conflicts of interest that could affect the design, conduct, or reporting of DOE-funded projects.
 - Annual updates of Research-Based Disclosure forms for investigators participating in DOE-funded research.
 - Implementation of internal controls and conflict management procedures consistent with DoE's Special Terms and Conditions for financial assistance awards and DoE's Financial Assistance Letter (FAL 2022-02).
- National Aeronautics and Space Administration (NASA) Conflict of Interest (GIC23-07): Effective December 1, 2023, the NASA conflict of interest policy standardizes the disclosure requirements with other federal research agencies. It applies to all NASA grants and cooperative agreements issued or amended on or after December 1, 2023. The policy requires:
 - Disclosure of significant financial interest (SFI) by investigators before proposal submission, and either annually or as new reportable SFIs are obtained.
 - Review of disclosed interest before NASA funds are spent.

- Determine whether a COI exists and implementation of management plans to manage, reduce, or eliminate conflicts.
- National Security Presidential Memorandum 33 (NSPM-33) is a U.S. government directive issued in January 2021 to strengthen the security and integrity of federally funded research. It mandates that federal research agencies establish consistent disclosure requirements. NSPM-33 emphasizes transparency and accountability through standardized disclosure requirements for conflicts of interest and commitment. It mandates that research institution:
 - Implement Research Security Programs: Institutions receiving more than \$50 million annually in federal research funding must implement formal research security programs.
 - Use of Digital Persistent Identifiers (DPIs): Researchers are encouraged or required to register with DPI services (e.g., Open Researcher and Contributor ID (ORCID)) to ensure accurate attribution and reduce ambiguity in disclosures.
 - Consequences for Non-Compliance: Violations of disclosure policies may result in administrative actions, civil penalties, or criminal charges.
 - Information Sharing Among Agencies: Agencies are permitted to share information about disclosure violations, consistent with applicable laws.
 - Protection Against Foreign Influence: The policy aims to safeguard U.S. research from undue foreign interference and intellectual property theft while maintaining an open research environment.
 - Training and Awareness: Institutions must provide training on research security, including foreign travel, export control, insider threat awareness, and cybersecurity.

USNH & UNH Policies and Programs

UNH has adopted the following policies and procedures to address these requirements:

- UNH Policy VIII.E: Financial Conflict of Interest in Research (non-PHS): This policy governs research funded by non-PHS sources. It requires investigators to disclose any significant financial interests that may reasonably appear to affect the research. Investigators must also report significant new financial interests within 30 days. Compliance with this policy is a prerequisite for grant setup and fund expenditure. Disclosures are reviewed by the Disclosure Review Committee (DRC), which determines whether a conflict exists and, if so, how it should be managed.
- UNH Policy VIII.V: Financial Conflict of Interest in Research for PHS-Funded Projects: This policy is specifically designed to comply with 42 CFR Part 50 Subpart F and 45 CFR Part 94. It requires each investigator who has significant financial interest relate to his/her institutional responsibilities to complete a UNH Financial Conflict of Interest in Research Disclosure Statement and attach all required supporting documentation. Investigators must also update their disclosures annually and report new significant financial interests within 30 days. Compliance with this policy is a prerequisite for grant setup and fund expenditure. Disclosures are reviewed by the Disclosure Review Committee (DRC), which determines whether a conflict exists and, if so, how it should be managed.
- UNH Policy V.D – Employee Relations, which outlines institutional responsibilities for managing employee conduct and workplace integrity. While not specific to research, section 7 supports the broader framework for managing conflicts of commitment, ensuring that employees' external engagements do not interfere with their institutional responsibilities. It reinforces the importance of transparency, ethical behavior, and

compliance with federal and institutional standards.

- UNH Policy VIII.T: Foreign Talent Recruitment Program Policy: This policy is designed to protect the integrity and security of externally funded research at the university by identifying and managing risks associated with Malign Foreign Talent Recruitment Programs. It aims to ensure compliance with federal laws while continuing to support international collaboration and academic freedom.
- UNH Research Security Program: The program outlines UNH's approach to safeguarding the research enterprise from threats such as foreign interference, misappropriation of research, and violations of research integrity.

Financial Conflict of Interest in Research (FCOIR) Process at UNH

The UNH Financial Conflict of Interest in Research program is governed by detailed internal procedures developed by Sponsored Programs Administration and Research Integrity Services. These procedures are designed to ensure regulatory compliance across all phases of a sponsored research project's lifecycle.

Prior to May 2025, at the proposal stage the Grant and Contract Administrator (GCA) identifies proposals submitted to agencies that follow PHS FCOIR regulations. The GCA notifies the Compliance Officer, who sends a 'Proposal Email' to the Principal Investigator (PI) outlining disclosure and training requirements. The PI identifies all 'investigators' on the project and ensures each completes a Research-Based Disclosure form in Cayuse and completes CITI Program FCOIR training.

Starting in May 2025, this process was modified and extended to all research proposals submitted to federal agencies, regardless of if they follow PHS FCOIR regulations. A notification is sent via Cayuse to the Research Integrity Services office when a proposal for funded research has begun routing through the Cayuse approval process. The RIS staff confirm that each "investigator" on the project has completed a Research Based Disclosure form in Cayuse within the past year, and, if not, then RIS staff send emails to those investigators, requiring disclosure completion within 5 business days.

At the award stage, before setting up the award in Workday, the SPA Awards Team notifies Research Integrity Services, who confirms compliance with sponsor and UNH FCOIR policies and notifies SPA Awards when all requirements have been met. For PHS and DOE awards, RIS sends an 'Award Email' to the PI reiterating disclosure and training compliance requirements. Investigators submit disclosures via the Research Based Disclosure form in Cayuse, and complete training in CITI Program. Awards cannot be set up until these conditions are satisfied.

For Subrecipient institutions, FCOIR compliance is managed through the Subrecipient Commitment Form and associated documentation. Subawards are not issued until all subrecipient FCOIR issues are resolved.

Lastly, updates are required annually by PHS and DoE and UNH starts the process each year in May/June. Federal grants from PHS and DoE are manually tracked in an excel spreadsheet to ensure updated annual FCOIR disclosures are received for the investigators. RIS staff sends reminder emails to PIs with active PHS and DoE funded awards to confirm the list of investigators and the status of their disclosures and training.

Once the completed disclosure form is received, all disclosures are initially reviewed by the RIS staff to determine whether they meet the definition of a significant financial interest under federal and institutional policy, and if they present an actual or perceived financial conflict of interest in research. If so, they may be forwarded to the DRC for independent review. The RIS staff or DRC determines whether a financial conflict of interest exists and, if necessary, issues a conflict management plan. Oversight of these plans is shared between RIS and the investigator's department head.

UNH's FCOIR program is a critical component of its research compliance infrastructure. It is designed not only to comply with federal regulations but also to uphold the university's commitment to research integrity, transparency, and accountability.

FCOIR Training

The UNH Research and Innovation website details the training requirement prior to the start of the project. All investigators that are required to, under UNH Policy, complete the mandatory training prior to engaging in the externally funded research are directed to the CITI Program online Conflicts of Interest courses and the Research Security Training. The training courses are required to be completed at the time of the award. Training certificates are valid for four years from the date of completion.

Software Solutions

RIS and SPA use the following key applications:

- Cayuse Outside Interests: This application is a digital solution designed to streamline the disclosure and management of potential conflicts of interest (COI) in research environments. It enables faculty, staff, and students involved in sponsored projects to efficiently disclose significant financial interests and other outside activities that may pose a conflict.
- Cayuse Sponsored Programs: This application is a comprehensive research management system designed to streamline the lifecycle of sponsored projects, from proposal creation to award close-out.
- Microsoft SharePoint: This application is used for communication and file storage. It is part of the broader Microsoft platform, which offers integrated, flexible, and secure options for data storage and retrieval via the internet.
- Excel sheets for tracking and annual reminders for PHS and DoE awards.

III. Scope

The audit focused on key controls in place surrounding the disclosure, tracking, reporting, and monitoring of conflicts of interest in research. We performed the audit to obtain reasonable assurance whether the risks associated with the conflict of interest in research are appropriately identified and managed, internal controls are in place, the established controls are designed effectively and operating as expected. The audit also assessed whether appropriate procedures are developed to comply with applicable federal requirements, including National Security Presidential Memorandum-33 (NSPM-33), and other agency-specific research compliance requirements to ensure that standards of compliance are being adhered to. We:

- interviewed UNH Assistant Director, Research Integrity Services to understand the process for the disclosure of significant financial interests and review of financial

- conflicts of interest in research;
- evaluated current policies and procedures against federal regulations;
- obtained and reviewed supporting documentation for a sample of transactions; and
- met with UNH Associate Vice President & Chief Research Administration Officer, UNH Director, Research Integrity Services, and UNH Assistant Director, Research Integrity Services to confirm results.

IV. Report Structure

The three observations in Section V of this report outline internal control issues for management's attention and consideration. The order of the comments is based on their relative importance in terms of potential risk to USNH or foregone effectiveness if not addressed. The observations marked with an asterisk indicate the most significant items for management attention and resolution, which will be tracked for the USNH Audit Committee's monitoring until resolved. The report contains recommendations that management has considered and incorporated into the management action plans indicated below.

V. Observations

* 1. Enhance existing research conflict of interest reporting process

- a) Out of seven² conflict of interests currently identified by UNH RIS, four management plans are still under negotiations to finalize the plans with the investigators. Out of these four draft managements plans, two disclosure forms were submitted in 2024 (February and September 2024) and the remaining two were submitted in May of 2025. All four management plans are currently still under negotiation with the investigator and have not yet been finalized and approved as of October 30, 2025. In addition, UNH Policy UNH.VIII.E.5.4 states that "In all cases, resolution of the conflict or establishment of an acceptable conflict management plan must be achieved before expenditure of any funds under an award to UNH." There is a risk of noncompliance with institutional policies and potential reputational damage due to perceived lack of transparency.
- b) Existing protocols at UNH require financial conflict of interest in research disclosures related to PHS and DoE awards. Based on data analysis, we noted the following related to these disclosures:
 - We noted that four Department of Energy (DoE)–funded projects, involving six Principal Investigators (PIs), did not have a Conflict of Interest (COI) disclosure on file within the past 12 months. This condition exists because UNH has applied its COI reporting only to DoE research projects, whereas the DoE requires conflict of interest disclosure, reporting, and management for all of its funded projects.
 - We noted that five PIs did not have conflict of interest reporting on file in the last 12 months, because supporting grants did not have CFDA number included in the Workday system, that designates the award as either a PHS or DoE; therefore, it could not be determined the applicability of conflict of interest requirements on these awards and were not included on the UNH FCOIR monitoring list.

² UNH currently tracks seven identified research-related conflicts of interest.

- We noted one Principal Investigator, who is currently working on a NIH project and as such is subject to the PHS FCOIR disclosure requirements, did not have COI disclosure on file within the last 12 months, as the project is not included in the UNH monitoring list.
- We noted that no 2025 disclosure form has been received for two PIs, but the monitoring spreadsheet incorrectly records that 2025 COI disclosures have been received for both.

The condition exists as the conflict-of-interest intake and related compliance is manually tracked and the requirement was not applied consistently. There is a risk that non-compliance with UNH policies and federal policies expose UNH to reputational, financial, and regulatory risks, including the potential loss of federal funding and findings in external audits.

- c) A manual Microsoft excel spreadsheet is currently used to monitor and track compliance with the UNH FCOIR policy and federal guidelines. We noted the following:
- We noted that 10 PIs have a different COI disclosure completion date on the monitoring spreadsheet as compared to the data in Cayuse
 - 28 federal grants listed on the conflict-of-interest monitoring sheet do not include related CFDA number (on 21 federal grants) or the incorrect CFDA number (on 7 federal grants) on the COI tracking spreadsheet. Tracking federal awards by their CFDA number ensures compliance with federal regulations, as the CFDA number identifies the funding agency and program, which determines whether specific federal conflict of interest rules apply, especially those for the Public Health Services (PHS) and the Department of Energy (DoE). Therefore, there is risk that these grants may not have adequate monitoring compliance.
 - We noted two grants on the monitoring list, which were not active in the Workday system. This could indicate that these awards are closed, and no monitoring activities are required, which can result in wasted effort.
 - We noted five Principal Investigators who are currently working on DoE federally funded research project who have a Conflict of Interest (COI) disclosures on file, but the project is currently not included in the UNH monitoring process.
 - Lastly, we noted that four PIs are tracked on a separate CIBBR awards monitoring spreadsheet for compliance with COI compliance, which can lead to confusion if the Investigator has a completed COI on file.

The UNH FCOIR policy and federal compliance standards require accurate and up-to-date tracking of all federally funded awards. These issues are the result from manual data entry limitations and lack of integration between the monitoring spreadsheet and the institutional award management system, and the data is not periodically reconciled between the system and the monitoring spreadsheet. As a result, the institution risks performing compliance activities on closed awards and failing to meet federal reporting requirements for active grants, which could lead to audit findings, reputational damage, and funding risks.

We recommend the following in regard to this observation:

- 1. Explore if the system would be capable of sending annual reminders to all investigators that work on research projects.*
- 2. Alternatively, ensure that the monitoring list is updated to include all active PIs and*

Assistance Listing Number-linked awards and dates when the last COI disclosure was completed by the Investigator.

3. *Obtain missing COI disclosures.*
4. *Ensure that all management plans are finalized, approved, and implemented within a determined timeframe.*
5. *Ensure all Assistance Listing Numbers are captured, and only active awards are monitored.*
6. *Perform periodic reconciliations between monitoring and award systems to maintain data integrity.*

Management Action Plan - UNH Research Integrity Services

1. The monitoring list will be updated to include all active PHS, NASA, and DOE PIs. In addition, the monitoring list will be reviewed to ensure that the date of the last disclosure is correct.
2. Any missing disclosures identified by internal audit have now been obtained and reviewed.
3. Management plans will be finalized, approved, and implemented within determined timeframes.
4. RIS has already reached out to Cayuse to see if the system would be capable to send annual reminders to all investigators that work on research projects and the system isn't currently able to. We will continue with the manual tracking spreadsheet to ensure that all required disclosures are obtained.
5. Assistance Listing Numbers will be captured, and only active awards will be monitored. RIS will perform periodic (semi-annual) reconciliations between monitoring and award system to maintain integrity and completeness.

These will be completed by July 30, 2026.

*** 2. Expand conflict of interest disclosure process**

We noted that the current Conflict of Interest (COI) disclosure form in Cayuse collects disclosures related to FCOI and non-US based collaborations. The existing conflict of interest disclosure and management process does not include certain non-financial conflicts of interest^{3 4}, that are reported in the NSF Common Form (used for all federal research projects) by the researchers but are not captured within existing conflict of interest management processes at the University. This condition exists because the responsibility for reporting and managing non-financial conflicts (outside the FCOIR process) has not been formally determined. This creates a risk that the University does not have full visibility into all conflict of interest for researchers, impacting the research which can potentially lead to incomplete conflict management plans, noncompliance with federal requirements, and a loss of reputation

³ Department of Energy Interim Conflict of Interest Policy states, "at a minimum, the non-Federal entity's policy must address organizational conflicts of interest." Source: <https://www.energy.gov/sites/default/files/2022-10/Department%20of%20Energy%20Interim%20Conflict%20of%20Interest%20Policy.pdf>

⁴ NIH Grants Policy Statement states "Recipients are expected to establish and maintain effective internal controls (e.g. policies and procedures) to ensure that individuals designated in applications as senior/key personnel fully disclose all Other Support information to their institution as soon as it becomes known." Source: https://grants.nih.gov/grants/policy/nihgps/html5/section_2/2.5.1_just-in-time_procedures.htm

to the University.

We recommend the following in regard to this observation:

- 1. Update the COI Disclosure reporting and management process to include all conflicts disclosed in the Common Form to ensure appropriate monitoring and management of reported conflicts.*
- 2. Develop protocols for reporting and management of conflict of commitments and interests by the researchers.*

Management Action Plan – AVP & Chief Research Administration Officer, UNH

The Cayuse conflict of interest form is being modified to include additional questions. In coordination with the Interim Vice President for Research and Innovation, UNH, a review process will be developed to manage non-financial conflicts of interests and commitments by the researchers. These will be completed by September 30, 2026.

3. Enhance existing policies and procedures to comply with federal requirements

We noted that UNH's current conflict of interest in research policies and procedures should be updated to align with federal requirements and internal governance structure changes. We noted the following:

- The existing two FCOIR policies were developed to comply with PHS and non-PHS FCOIR requirements. We noted that these policies need to be updated to align with updated federal mandates and guidelines, including NSF Common Form, DoE, and NASA. There is a risk of noncompliance with federal requirements, reduced transparency, and loss of reputation for the University.
- The UNH Disclosure Review Committee (DRC), as prescribed in the policy, is no longer active. Instead, any reported conflicts are now reviewed and managed by the UNH Assistant Director of Research Integrity Services and approved by the UNH Associate Vice President & Chief Research Administration Officer. This change in oversight is currently not documented and incorporated into the policy. In addition, management has not formally evaluated if the revised structure has proper authority to identify, handle and approve conflicts and enforce action plans. There is a risk that conflicts may not be managed adequately, as oversight and enforcement may fall short of what is prescribed in existing policy and required under federal guidelines. In addition, federal guidelines also encourage transparency and institution oversight of conflicts.
- The existing policy for non-PHS does not require the investigators to complete and submit the disclosure annually regardless of need for disclosures. Updated federal guidelines for DoE and NASA⁵ require annual disclosures of all conflicts of interest by investigators, even if there is no significant financial interest to report. In addition, as more federal agencies update and standardize their guidelines over conflict of interest in research as mandated by NSPM-33, obtaining annual disclosures from all investigators would be more efficient than tracking selected federal agencies to ensure

⁵ Institutions must also require that disclosures are updated during the award's period of performance, either on an annual basis, or as new reportable significant financial interests are obtained. Source: <https://www.nasa.gov/wp-content/uploads/2023/09/gic-23-07-conflict-of-interest-policy-0.pdf>

annual disclosures were obtained. There is a risk of noncompliance with federal requirements, reduced transparency, and a loss of reputation to the University.

We recommend the following in regards to this observation:

- 1. Update the conflict of interest in research policy to ensure compliance with federal mandates and requirements.*
- 2. Review and reassign the DRC responsibilities to meet the appropriate oversight mechanism for federally funded research.*
- 3. Updated the combined policy to updated disclosures at least annually and within 30 days of any change.*

Management Action Plan – Director, Research Integrity Services, UNH

1. RIS will coordinate the development of a single Financial Conflict of Interest in Research policy (this is currently in the works) with the Interim Vice President for Research and Innovation, which will be current with regard to federal regulations and guidance at the time of adoption and will allow flexibility to comply with future changes in federal sponsor requirements.
2. The DRC responsibilities will be reassigned and included in the new policy (see #1).
3. The combined policy will point to funding agency requirements; when none are available, the updated policy will require annual updates to disclosures or within 30 days of any changes.

These will be completed by July 30, 2026



We'll get you there.

CPAs | CONSULTANTS | WEALTH ADVISORS

University System of New Hampshire

FY25 Single Audit Results
Year ended June 30, 2025



FY25 Single Audit



Single Audit

Reports Issued

Opinion on internal controls over financial reporting and compliance in accordance with *Government Auditing Standards*

Opinion on internal control over compliance with major program requirements in accordance with *Uniform Guidance*

Federal Major Programs

Student Financial Assistance (SFA) Cluster (ALN #'s 84.007, 84.033, 84.038, 84.063, & 84.268)

TRIO Cluster (ALN #'s 84.042, 84.044, 84.047, & 84.217)



Single Audit Results



2025-002 - Student Financial Aid Cluster - Credit Balance Testing – 17 out of 40 students selected for testing did not have their credit balance returned within the required 14 days



2025-003 - Student Financial Aid Cluster - NSLDS – 4 out of 60 students selected for testing did not have their status change reported to NSLDS within the required 60 day timeframe. Also, one student's status did not agree to the transcript and one student's effective date in NSLDS, did not agree to the institutional records.



2025-004 - Student Financial Aid Cluster - Two students were awarded need based aid over their calculated need. In addition, two students whose subsidized loans were not maximized before originating an unsubsidized loan



Single Audit Results



2025-005 - Student Financial Aid Cluster - Satisfactory Academic Progress (SAP)– Out of 60 students tested, one was disbursed aid after failing SAP and was no longer eligible to receive federal student aid. In addition, two students who failed SAP in Spring of 2025 and were not provided the proper notification that they had failed SAP and were no longer eligible to receive federal student aid



2025-006 - Student Financial Aid Cluster - The Code of Federal Regulations, 34 CFR 668.56 requires institutions to obtain supporting documentation and perform verification procedures for students selected by the Central Processing System (CPS). One of the students of the ten tested did not have the required support retained in the student files.



Single Audit

Looking Forward to 2026

Start the single audit work in May/June with goal to complete as much as possible prior to the FS Audit

Major Programs:

Research and Development Cluster

Others to be determined





Questions and Feedback

We appreciate the opportunity to serve you and welcome any feedback relative to our performance and to the engagement.



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UNIVERSITY SYSTEM OF NEW HAMPSHIRE
BOARD OF TRUSTEES

Audit Committee

Motion Sheet

University System of New Hampshire

To: Audit Committee

Re: **Accept External Auditors' FY25 Uniform Guidance Audit Reports on USNH Federal Expenditures**

PROPOSED MOTION

***MOVED**, on recommendation of the Chancellor, that the University System of New Hampshire Auditors' Reports from CLA for the year ended June 30, 2025, as required by Title 2 of the U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and Government Auditing Standards and Related Information, be accepted.*

SUMMARY OF PROPOSED ACTION

The motion calls for acceptance of the University System of New Hampshire's Auditors' Reports required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Act published by the U.S. Office of Management and Budget (OMB) in December 2013. This Act is often referred to as the new 'Uniform Guidance' rules.

RATIONALE FOR PROPOSED ACTION

All non-federal entities that expend \$750,000 or more of federal awards in a year are required to obtain an annual audit in accordance with the Uniform Guidance rules.

PREVIOUS REVIEWS AND APPROVALS

The Vice Chancellor for Financial Affairs & Treasurer, the Chief Financial Officers at each of the USNH institutions, the USNH Controller and other members of management have reviewed the results of the audit.

RELEVANT GOVERNANCE DOCUMENTS, POLICIES, AND PRACTICES

The Audit Committee charter states that one of the primary functions of the Audit Committee is to assist the Board of Trustees in fulfilling its oversight responsibilities relating to the integrity of the University System of New Hampshire's financial statements. The controls tested as part of this audit are key factors ensuring the integrity of these statements. USNH BOT policy and bylaws refer to this responsibility as part of the Audit Committee's charge.

RESOURCE IMPLICATIONS

None

RISK MANAGEMENT CONSIDERATIONS

USNH would jeopardize federal funding for student financial aid programs, research, and other sponsored programs if it did not arrange for this audit to occur or if the audit disclosed significant problems with the administration or expenditure of federal funds. By regulation, this audit report must be provided to the federal government within 30 days of the auditors' report date or by the end of March (for organizations with fiscal years ending June 30), whichever occurs earlier.

SUBSEQUENT ACTION REQUIRED

With an anticipated audit report date and Audit Committee acceptance date of March 19, 2026, the USNH Controller will file the audit report and associated federal form with applicable federal agencies by the end of March.

ATTACHED MATERIALS – SUMMARY AND SALIENT INFORMATION

A final draft of the University System of New Hampshire's Auditors' Reports required by the OMB Uniform Guidance rules is attached. The audited financial statements for the year ended June 30, 2025, previously reviewed by the Committee, are in the first section of the materials. This is followed by the Supplementary Schedule of Expenditures of Federal Awards and Related Notes. Expenditures of federal awards during fiscal year 2025 totaled \$339 million. This includes student loans, direct aid, and workstudy funding totaling \$174 million. By comparison, the fiscal year 2024 total of \$353 million included \$171 million of student loans, direct aid, and workstudy funding.

The second section of the materials includes the Auditor's Reports on Internal Control over Financial Reporting, Compliance, and Other Matters, as well as the Auditor's Report on Compliance for Major Program and Internal Control Over Compliance. There was one finding related to Financial Statements and five findings related to Student Financial Assistance requirements, whereas two of them were repeat findings from the prior year at Keene State College. The findings were across all campuses and were related to failing to update NSLDS status, awarding above need, late refund, documenting verification, and ineligibility due to failed Satisfactory Academic Progress. Each institution's management has reviewed the findings and is updating documentation, reporting and monitoring procedures to ensure reconciliations, award calculation, timely refunds and status change reporting are accurate and timely. Staff will be trained on updated procedures to ensure USNH is fully compliant in these areas in future years.

SUBMITTED AND APPROVED BY:

Catherine Provencher
Chancellor

Date Prepared: March 10, 2026

For the Meeting of: March 19, 2026

-- End of Motion Sheet --



University of New Hampshire

The University of New Hampshire respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit period: July 1, 2024, to June 30, 2025

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the current year.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Education

2025-002 Student Financial Assistance Cluster – Assistance Listing Numbers 84.007, 84.033, 84.038, 84.063, 84.268

Recommendation: We recommend that the University put a process in place to refund student credit balances that arose from federal funds within 14 days.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

The current process requires credit hours used for financial aid packaging and actual registration to match. Additionally, the automated refund process is not run until 10 days after the start of the term. Starting in 2026, the automated refund process will be run starting the first week of the term to issue check requests in a more timely manner. Additionally, the automated process requires a date input - current practice is to use the Friday prior to the current date; however, moving forward date parameter will be Monday of the same week to ensure timely check requests are made.

Name(s) of the contact person(s) responsible for corrective action:

Elizabeth Stevens, Director, Student Financial Services, University of New Hampshire

Planned completion date for corrective action plan: July 1, 2026

Student Financial Services
11 Garrison Avenue - Stoke Hall Durham, NH 03824
(603) 862-2230



**2025-004 Student Financial Assistance Cluster – Assistance Listing Numbers
84.007, 84.033, 84.038, 84.063, 84.268**

Recommendation: We recommend the University review its reporting procedures to ensure that awarding is within the need calculation.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

The University of New Hampshire's accounts affected were updated 11/25/2025 to reflect the full subsidized loan amount. Error on loan swap was due to a new employee in training with limited resources. Since this occurred, the office policy and procedure manual and staff documentation have been updated to ensure this is not repeated in future years.

Name(s) of the contact person(s) responsible for corrective action:

Elizabeth Stevens, Director, Student Financial Services, University of New Hampshire

Planned completion date for corrective action plan: March 31, 2026

**2025-005 Student Financial Assistance Cluster – Assistance Listing Numbers
84.007, 84.033, 84.038, 84.063, 84.268**

Recommendation: We recommend the University review its SAP policies to ensure they met the minimum requirements and that they are fully implemented.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Historically the Graduate School was responsible for reviewing SAP and notifying Student Financial Services (SFS) if students needed to be warned or suspended. Going forward, SFS will begin reviewing graduate students for SAP to ensure accurate and timely notifications are in place. Additionally, SFS is reviewing the current logic to ensure GPA is accurately reviewed in the baseline SAP process.



Name(s) of the contact person(s) responsible for corrective action:

Elizabeth Stevens, Director, Student Financial Services, University of New Hampshire

Planned completion date for corrective action plan: July 1, 2026

2025-006

Student Financial Assistance Cluster – Assistance Listing Numbers 84.007, 84.033, 84.038, 84.063, 84.268

Recommendation: The University should review the procedures surrounding the verification process to ensure all necessary support and documentation is obtained and retained in the student files.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

When students are selected for verification; requirements are auto populated to RRAAREQ and prevent disbursement of federal aid. Once all requirements have been received, reviewed, and documented, the requirements are satisfied and aid is disbursed. For this specific account - a SEPID requirement was placed 7/30/24 - the student completed the form and staff satisfied the requirement on 01/21/25 - the aid was paid on 1/22/25. Subsequent verification requirements were received on new ISIR records on 2/25/25 and additional requirements were added to the student record. The later verification requirements were not completed because all aid was already disbursed prior to the new ISIR records. Going forward, staff will ensure the SIS is configured correctly to prevent disbursement of funds with outstanding verification requirements and pull back any disbursements previously made until verification is completed

Name(s) of the contact person(s) responsible for corrective action:

Elizabeth Stevens, Director, Student Financial Services, University of New Hampshire

Planned completion date for corrective action plan: July 1, 2026

If the U.S. Department of Education has questions regarding this plan, please contact the individuals noted above.

Student Financial Services

229 Main Street, Keene, New Hampshire 03435-2606
603-358-2280 or 1-800-KSC-1909 Fax 603-358-2794
www.keene.edu • ksc.sfs@keene.edu

Keene State College respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit period: July 1, 2024, to June 30, 2025

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the current year.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Education

2025-002 Student Financial Assistance Cluster – Assistance Listing Numbers 84.007, 84.033, 84.038, 84.063, 84.268

Recommendation: We recommend that the College put a process in place to refund student credit balances that arose from federal funds within 14 days.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

This repeat finding was partially due to the implementation of Workday, the adjustments of aid to individual student records, and a shortage of staff. We have hired an additional staff member and trained additional staff to help with federal refunds during the demanding time of the term.

Name(s) of the contact person(s) responsible for corrective action:

Cathy Mullins, Director of Financial Aid and Scholarships. Keene State College

Planned completion date for corrective action plan: July 1, 2026

2025-003 Student Financial Assistance Cluster – Assistance Listing Numbers 84.007, 84.033, 84.038, 84.063, 84.268

Recommendation: We recommend the College review its reporting procedures to ensure that students' statuses are timely reported to NSLDS as required by regulations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: KSC Registrar, which is responsible for reporting enrollment statuses to NSLDS, confirmed with NSC the record was sent in a time manner to NSC. The records for unknown reasons were not processed by NSC until a later date. The Registrar has been made aware this is a repeat finding and additional training will be provided, along with a review of the procedures.

Name(s) of the contact person(s) responsible for corrective action:

Cathy Mullins, Director of Financial Aid and Scholarships, Keene State College

Planned completion date for corrective action plan: July1, 2026

2025-004 Student Financial Assistance Cluster – Assistance Listing Numbers 84.007, 84.033, 84.038, 84.063, 84.268

Recommendation: We recommend the college review its reporting procedures to ensure that awarding is within the need calculation.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

KSC has reviewed student in question and has identified the scholarship award that caused the student information system to award a higher subsidized loan to the student. We have reviewed the packaging policy and made updates so the scholarship in question will now allow the correct sub/unsub loan to be awarded based on the student's financial need eligibility.

Name(s) of the contact person(s) responsible for corrective action:

Cathy Mullins, Director of Financial Aid and Scholarships, Keene State College

Planned completion date for corrective action plan: March 10, 2026

If the U.S. Department of Education has questions regarding this plan, please contact the individuals noted above.



Plymouth State University respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit period: July 1, 2024, to June 30, 2025

The finding from the schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the current year.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Education

2025-003 Student Financial Assistance Cluster – Assistance Listing Numbers 84.007, 84.033, 84.038, 84.063, 84.268

Recommendation: We recommend the University review its reporting procedures to ensure that students' statuses are timely reported to NSLDS as required by regulations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

The registrar's office will be examining how these situations came about. Given that our records pulled from Banner are correct and were sent to NSC as per reporting compliance requirements, we believe that there are issues with the NSC side of the current reporting process. We will connect with the NSC audit team with the expectation that there will be a noticeable fix – one that can be used in the future to preempt findings.

Additionally, teams at USNH will explore two items:

- 1) Review of how the NSC template is set up and working in PSU-Banner, and provide assistance in correcting any portions of the process that are out of line.
- 2) Investigate downloading PSU data from NSLDS to compare with the data pulled from PSU-Banner so potential mismatches on statuses can be caught in real time.

Name(s) of the contact person(s) responsible for corrective action:

Tonya LaBrosse, Registrar, Plymouth State College

Planned completion date for corrective action plan:

- 1) Contacting the NSC audit team – 3/12/26
 - a. Setting a meeting with them as they are available to begin discussion and review of situations.
- 2) Working with PSU-SFS on access to NSLDS records and securing the ability to extract PSU records from NSLDS – ongoing
- 3) Working with ET&S and/or Internal Audit to set up the data pull from PSU-Banner and the comparison of the two sets of records – ongoing.

If the U.S. Department of Education has questions regarding this plan, please contact the individuals noted above.

University System of New Hampshire

Audit Planning Discussion

March 19, 2026



We'll get you there.

Audit Scope and Process

Audit Timeline, Plan, & Responsibilities

Risk Assessment

Audit Fees for FY26

GASB Standards

Audit Scope and Process

Financial Statement Audit

- Express an opinion in accordance with U.S. GAAP
- Express an opinion on compliance over major federal programs in accordance with GAS
- Report on internal control over financial reporting and on compliance in accordance with GAS
- Update our understanding of I/C over financial reporting

Communications

- End of audit governance communications
- Internal control communications
- Management Letter, if applicable



Audit Process

Internal Controls

Revenue Recognition

Significant Estimates

Debt and Covenants

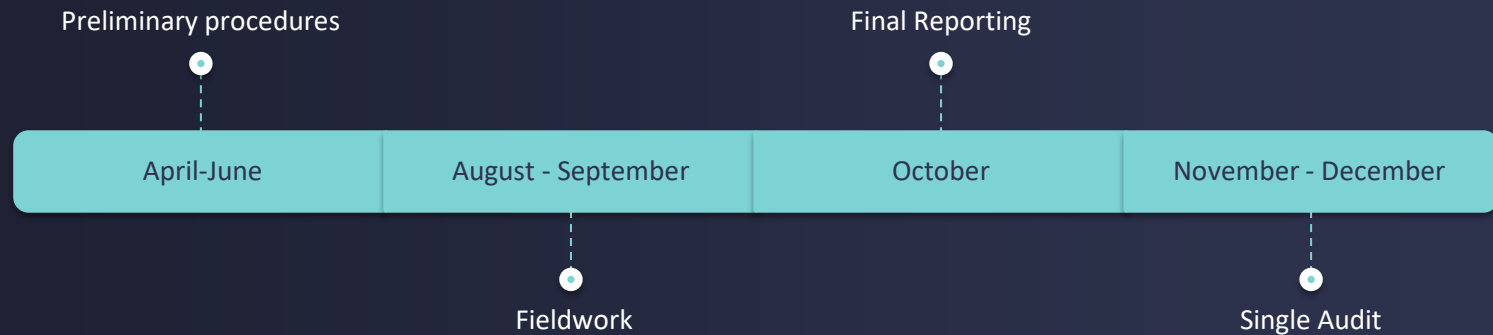
Cash and
Investments

Capital Assets including
Leases and SBITAs



Audit Plan Overview

Today's **audit planning** meeting starts the audit process. We use a **collaborative approach**, including seeking input from management and governance, to develop an audit plan focusing on **risk** areas and areas of **significance to organization**.



Any items of significance arising warranting communication with governance will be promptly communicated. If you do not hear from us prior to the final audit presentation in October, everything went as planned and discussed here today.



Responsibilities

Governance

- Strategic direction
- Accountability, including financial reporting



Management

- Internal controls
- Accounting policies
- Management decisions
- Fair presentation of financial statements
- Programs to prevent and detect fraud



Independent Auditor

- Opinion on fair presentation of financial statements
- Audit in accordance with GAAS
- Reasonable, not absolute assurance
- Understanding of internal controls
- Risk based audit approach



Significant or fraud risks

(Other risks deemed significant or fraudulent in nature)

- Revenue recognition
- Management override of controls

Control risk

(Internal controls fail to prevent or detect a material misstatement)

- Review to validate proper design and perform tests are functioning as designed.

Audit Plan Overview

Inherent risk

(Due to the nature of the account)

- Cash/investments
- Liabilities
- Estimates

Detection risk

(Audit procedures fail to detect a material misstatement)

- New tests annually to avoid familiarity with audit process
- Use of data analytics on large data volumes

Audit risk = the risk of an undetected material misstatement due to error or fraud.

Preliminary risk assessment to reduce the audit risk to an appropriately low level.



Governance Input

Areas of focus?



- Individual accounts
- Transactions
- Processes
- Controls

Other concerns?



- Litigation
- Operations
- Industry trends

Fraud?



- Knowledge of fraud
- Threshold for communication



USNH Audit Fees

FY 2025

FS Audit: \$225,000

SA Audit: \$79,500

Total: \$304,500

FY 2026 to FY2028

FS Audit: \$231,750

SA Audit: \$74,160*

Total: \$305,910

*Assumes testing 1 type A Major Program (MP) and any type B program(s) necessary. Additional MP will range from \$7,500 to \$15,000, based upon the program.





We're right there with you.

It's our job to engage in conversations, listen to what you really want, and apply our talents and experience to make extraordinary impact.



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Appendix





GASB Standards



GASB 103 Financial Reporting Module

CLA can help by assisting with or evaluating financial statement disclosure updates



Effective date
June 30, 2026



Impacts financial statement presentation

Updated disclosure guidance for:

- MD&A consistency
- Clearer definition of unusual or infrequent items
- Presentation of proprietary fund statements
- Major component unit information
- Budgetary comparison information



GASB 104 – Disclosure of Certain Capital Assets



Effective date
June 30, 2026



Will clarify how capital assets are disclosed in financials:

- Capital assets held for sale and related pledged debt
- Leased assets
- Subscription assets
- Right to Use PPP assets
- Other intangible assets



CLA can help by assisting with or evaluating financial statement disclosure updates



UNIVERSITY SYSTEM OF NEW HAMPSHIRE
BOARD OF TRUSTEES

Audit Committee

Motion Sheet

University System of New Hampshire

To: Audit Committee

Re: **Recommend the appointment of external auditors**

PROPOSED MOTION

***MOVED**, on recommendation of the Chancellor, that CliftonLarsonAllen LLP be confirmed as the external auditor for the University System of New Hampshire to provide audit services related to activities of fiscal year ending June 30, 2026.*

SUMMARY OF PROPOSED ACTION

This action approves the annual engagement plan and proposed fees for CliftonLarsonAllen LLP (CLA), the qualified audit firm that was selected in 2020 for a term up to seven years, to audit the consolidated financial statements and associated schedule of expenditures of federal awards of the University System of New Hampshire (USNH) for the year ended June 30, 2026. Fees are proposed to increase approximately 3% (to \$305,910) for the USNH financial statements and Uniform Guidance engagement.

RATIONALE FOR PROPOSED ACTION

CLA was selected to be the USNH's audit firm in Spring 2020 for audits of the financial statements of USNH for fiscal year 2020 and up to six years thereafter. The proposed action would reengage CLA for another year based on the reasonable fees proposed for this year's services and USNH's satisfaction with the audit services provided by CLA.

PREVIOUS REVIEWS AND APPROVALS

The determination of the external auditor selected by the Audit Committee and the Board of Trustees was based on a competitive bid process among major national firms as required by USNH policy, which incorporated consideration of proposed fees and expenses for multiple years of the engagement.

RELEVANT GOVERNANCE DOCUMENTS, POLICIES, AND PRACTICES

1. Title XV, Chapter 187-A:25-a of the State of New Hampshire’s Revised Statutes Annotated
2. Board of Trustees’ Financial Policy IV.D External Audit

RESOURCE IMPLICATIONS

Below is a summary of related fees for prior years and amounts expected to be paid in FY26 & FY27 for the related FY26 audit work. Sufficient funds have been budgeted by USNH management to cover the costs of the audits.

	Costs Related to Audits for Fiscal Year Ended 6/30/				
	CLA 2026 ⁽¹⁾	CLA 2025 ⁽²⁾	CLA 2024 ⁽³⁾	CLA 2023 ⁽⁴⁾	CLA 2022 ⁽⁵⁾
USNH financial statements audit and Uniform Guidance audit of expenditures made on federal grants/contracts	\$ 305,910	\$ 297,000	\$ 289,422	\$ 280,412	\$ 272,092
UNHF	\$ 31,500	\$ 30,000	\$ 29,413	\$ 28,497	\$ 27,646
Total USNH and UNH Fees	\$ 337,410	\$ 327,000	\$ 318,835	\$ 308,909	\$ 299,738

⁽¹⁾ FY2026 work includes testing of one Major Program. Any additional Major Program work will range from \$7500 to \$12,500, based upon the program.

⁽²⁾ FY2025 USNH figure excludes \$7,500 in fees for additional Uniform Guidance audit work.

⁽³⁾ FY2024 USNH figure excludes \$20,000 in fees for additional Uniform Guidance audit work.

⁽⁴⁾ USNH figure excludes \$17,500 in fees for additional Uniform Guidance audit work.

⁽⁵⁾ USNH figure excludes \$20,000 in fees for additional Uniform Guidance audit work.

RISK MANAGEMENT CONSIDERATIONS

Legal and regulatory non-compliance as well as reputational damage could result from untimely provision of the USNH’s audited financial statements for the year ended June 30, 2026, to the State of New Hampshire and the federal government.

SUBSEQUENT ACTION REQUIRED

The Audit Committee Chair and the Vice Chancellor for Financial Affairs and Treasurer will be required to sign the engagement letter that provides the detailed terms of the engagement to audit the USNH financial statements for the year ended June 30, 2026. Authorized representatives of

the UNH Foundation will be required to sign a separate formal engagement letter for the audit of the UNH Foundation's financial statements.

ATTACHED MATERIALS – SUMMARY AND SALIENT INFORMATION

CLA's presentation to the Audit Committee of its 2026 Audit Plan, including the proposed engagement letter for the primary audit of the USNH financial statements and expenditures of federal awards, is included in the meeting materials.

SUBMITTED AND APPROVED BY:

Catherine A. Provencher
Chancellor

Date Prepared: March 10, 2026

For the Meeting of: March 19, 2026

-- End of Motion Sheet --



March 2, 2026

Statement of Work - Audit Services

This agreement constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated June 4, 2020, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and University System of New Hampshire ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended June 30, 2026.

Andrew Lee, CPA is responsible for the performance of the audit engagement. He will be assisted by Brenda Scherer, CPA, who is responsible for the single audit.

Scope of audit services

We will audit the financial statements of the business-type activities and the aggregate discretely presented component units, which collectively comprise the basic financial statements of University System of New Hampshire, and the related notes to the financial statements as of and for the year ended June 30, 2026.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

The RSI will be subjected to certain limited procedures, but will not be audited.

Nonaudit services

We will also provide the following nonaudit services:

- Assistance with the preparation of your financial statements, schedule of expenditures of federal awards, related notes.
- Preparation of adjusting journal entries, as needed.

Audit objectives

The objectives of our audit of the financial statements 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 opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). 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 auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and 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.

Our audit will be conducted in accordance with U.S. GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express opinions and render the required reports.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

The objectives of our audit also include:

- Reporting on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Reporting on internal control over compliance related to major programs and expressing an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Uniform Guidance.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

We will issue written reports upon completion of our audit of your financial statements and compliance

with requirements applicable to major programs.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions on the financial statements or compliance are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements or material noncompliance caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements or an opinion on compliance, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue reports, or withdrawing from the engagement.

It is our understanding that our auditors' report will be included in your annual report which is comprised of other information and that your annual report will be issued October 31, 2026. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS, the standards for financial audits contained in *Government Auditing Standards*, and the Uniform Guidance.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements and material noncompliance, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement or a material noncompliance 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.
- Obtain an understanding of the entity and its environment, including the system 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 entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control

relevant to the audit of the financial statements that we have identified during the audit.

- 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, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Revenue recognition
- Management override of controls

We plan to use an auditors' specialist to evaluate the information technology processes and controls.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements or noncompliance may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a single audit.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards that may have a direct and material effect on each of the entity's major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the "OMB Compliance Supplement" for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs. The purpose of these procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

We will evaluate the presentation of the schedule of expenditures of federal awards accompanying the financial statements in relation to the financial statements as a whole. We will make certain inquiries of management and evaluate the form, content, and methods of preparing the schedule to determine whether the information complies with U.S. GAAP and the Uniform Guidance, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We will compare and reconcile the schedule to the underlying accounting records and other records used to prepare the financial statements or to the financial statements themselves.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements, RSI, and the schedule of expenditures of federal awards in accordance with U.S. GAAP. Management is also responsible for identifying all federal awards received, understanding and complying with the compliance requirements, and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of the Uniform Guidance.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

Management is responsible for compliance with applicable laws and regulations and the provisions of contracts and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs. Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are responsible for the design, implementation, and maintenance of effective internal control, including internal control over compliance, relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met; and that there is reasonable assurance that government programs are administered in compliance with compliance requirements.

You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards applicable to the entity's federal programs; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements, including compliance with federal statutes, regulations, and the terms and conditions of federal awards

applicable to the entity's federal programs; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered.

You are responsible for taking timely and appropriate steps to remedy any fraud; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or abuse that we may report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings; and to follow up and take prompt corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers), and for ensuring management information and financial information is reliable and properly reported; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

Management is responsible for the preparation of other information included in your annual report. You agree to provide the final version of such information to us in a timely manner, and if possible, prior to the date of our auditors' report. If the other information included in your annual report will not be available until after the date of our auditors' report on the financial statements, you agree to provide written representations indicating that (1) the information is consistent with the financial statements, (2) the other

information does not contain material misstatements, and (3) the final version of the documents will be provided to us when available, and prior to issuance of the annual report by the entity, so that we can complete the procedures required by professional standards. Management agrees to correct material inconsistencies that we may identify. You agree to include our auditors' report in any document containing financial statements that indicates that such financial statements have been audited by us.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities, internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services

For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information

incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

At the conclusion of the engagement, we will complete the auditor sections of the electronic Data Collection Form SF-SAC and perform the steps to certify the Form SF-SAC and single audit reporting package. It is management's responsibility to complete the auditee sections of the Data Collection Form. We will create the single audit reporting package PDF file for submission; however, it is management's responsibility to review for completeness and accuracy and electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be electronically submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of CLA and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory bodies pursuant to authority given to it by law or regulation. If requested, access to such audit documentation will be provided under the supervision of CLA's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to those regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by a regulator. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Fees

Our professional fees are detailed below and were presented in our Proposal and Fee submission dated January 10, 2020, which includes our technology and client support fee of five percent (5%) of all professional fees billed. Our invoices, including applicable state and local taxes, will be rendered based on the percentage of completion (every 20%) as work progresses and are payable net 30 days. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our reports. You will be obligated to compensate us for all time expended and related fees and to reimburse us for all out-of-pocket expenditures through the date of termination.

Audit of financial statements	\$231,750.00
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Federal single audit

\$74,160.00

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below to indicate your acknowledgement and understanding of, and agreement with, this SOW.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of University System of New Hampshire.

CLA
CliftonLarsonAllen LLP

SIGN:

Andrew Lee, Principal

DATE:

Client
University System of New Hampshire

SIGN:

Karen Benincasa

DATE:

Keene
STATE COLLEGE

Plymouth State
UNIVERSITY

 **University of
New Hampshire**

**University System
of New Hampshire**

USNH Council on Environmental Health and Safety

2025 Annual Report

*Presentation to the Audit Committee of the USNH
Board of Trustees*

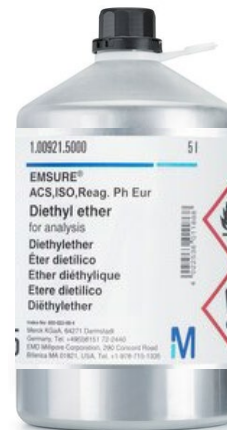
USNH EH&S Council Membership

- ❑ **Andy Glode (Chair) – UNH**
- ❑ **Julie Kroupa – KSC**
- ❑ **Katie Caron – PSU**
- ❑ **Ashish Jain – USNH (ex-officio)**



Notable accomplishments in 2025 include:

- Radiation Safety Program Compliance
- Campus-Wide Mechanical Space Safety Assessment
- Chemical Delivery Tracker
- Confined Space Database
- Peroxide Forming Chemicals Management



Significant issues

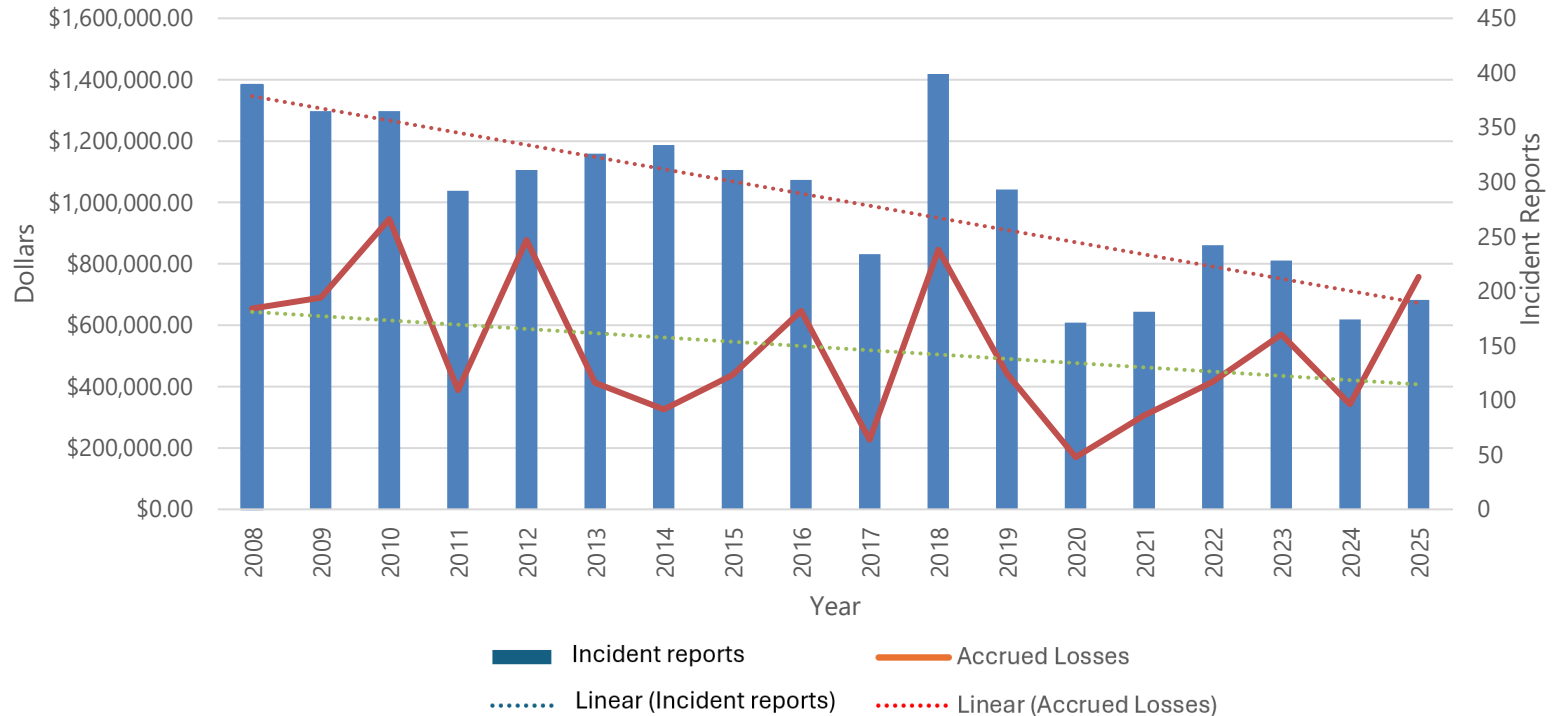
- Overhead door injury
- Ammonia refrigeration system inspection

Challenges

- EHS staff member retirement
- Fieldwork Safety Program unfunded



Incident Reports and Accrued Losses, 2008-2025



UNH EH&S by the numbers

Hazardous chemical waste disposed: 34,890 pounds

Indoor environmental quality investigations: 84

Biosafety protocols active: 78

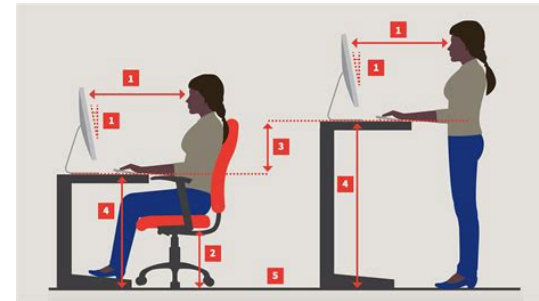
Safety trainings completed by employees and students: 8,294

Chemical fume hood evaluations: 1,078

New chemical inventory barcoded: 4,626

Door caution signs updated: 445

Containers in the UNH chemical inventory: 38,890



Aspect	Program goals	Status
Employee Safety	Annual review and update of all EHS programs and policies, create training for staff, faculty, students to maintain compliance and ensure personal safety.	Maintaining Program, Focus on training employees
Regulatory Compliance	Annual review and update of all EHS programs and policies, ongoing management of programs such as Hazardous Waste, Underground Storage Tanks, laboratory safety, etc.	Maintaining Program
Academic Support / Safety Culture Development	Provide support, training and guidance to academics; mentor safety student interns.	Maintaining program
Active participation in professional networks	Providing access to peer experts for technical EHS advice.	Proactive/reactive program

- ❑ Increase in facility inspections and safety promotion by EHS Committee contributed to a 20% decrease in annual State Fire Marshal Inspection violations.
- ❑ Recognition of increase in slips, trips and falls in winter 2024/2025. EHS Committee formed a subcommittee called Walk Like A Penguin to promote safe walking in snow and ice. This rolled out in December 2025 with campus-wide promotion. In early February 2026 added a Walk Like a Penguin video to share on campus promoting Hootie and members of the KSC Hockey team demonstrating how to Walk Like A Penguin.
- ❑ EHS Department worked with 3 upper level SOHAS classes on campus-wide projects. Assisted with researching and updating 8 safety policies, 6 safety training programs and noise and heat monitoring in the Heat Plant.
- ❑ EHS worked with many departments to collect current Safety Data Sheets for their chemical inventories. Created a Safety Data Sheet database available to all Faculty, Staff and Students. Currently in progress, started 2025 with about 10% current SDS to near 75% current SDS currently.
- ❑ Renewed DES Very Small Quantity Hazardous Waste Generator Status.
- ❑ Increase in requests for ergonomic workstation evaluations. Ergonomics training added to New Employee Orientation in Fall of 2024.

- ❑ 2025 Focus on Training

- ❑ Facilities Specific-
 - ❑ NSC Powered Industrial Trucks-11 Employees
 - ❑ OSHA Confined Space- 8 Employees
 - ❑ OSHA Bucket Truck Safety- 16 Employees + 5 C&W Employees
 - ❑ NFPA 70E Electrical Safe Work Practices- 3 Employees
 - ❑ NHDES Underground Storage Tank Class AB and Class C Operator Trainings- 3 Employees
 - ❑ NHDES Hazardous Waste Coordinator Certification- 1 Employee + 3 Science Employees

- ❑ Awareness training conducted in the following topics for Facilities and other campus employees: Confined Space, Asbestos Management, Lead Management, Fire Safety and Fire Extinguisher Use, Ergonomics, Hazard Communication and Use of Safety Data Sheets, Hazardous and Regulated Waste, Universal and Electronic Waste, Lithium-Ion Battery Safety, Hazardous Material Spill Management, Bloodborne Pathogens, Electrical Safety, First Aid/CPR/AED Awareness, Flammable Liquids, Hand and Power Tools, Personal Protective Equipment, Lockout Tagout Awareness, Machine Guarding, Active Shooter, Emergency Preparedness, Office Safety, Incident Reporting

- ❑ New Employee Safety Orientation- 25 new staff members

Mold Prevention, Mitigation & Response

On-going response was required for mold prevention, mitigation, and response due to water intrusion events.

The Cause

- Campus's aging infrastructure in combination with significant deferred maintenance
- Water intrusion events require immediate response
 - To minimize the repairs related to health and safety, such as mold growth, property damage, & total cost

Solutions

- Written mold management & water intrusion response plan
 - Provides consistent response based on operation procedures. Also, minimizes cost and property damage
- Continue to establish and implement strategic planning efforts related to infrastructure
 - Investment & focus on infrastructure

Compliance Status & Updates

- *Traffic Light Summary*
 - CY 2025 changes
 - On-going staffing reductions make it increasingly difficult to sustain compliance efforts
 - Limits capacity for improvement

Compliance Status:

Underground Storage Tank (UST) Program

- Two minor items were identified and promptly resolved on-site
- No further documentation required and no penalties assessed

Program is in full compliance with regulatory requirements.



Compliance Status & Updates

Spill Control & Countermeasure Plan (SPCC)

- ❑ AST internal tank inspections were completed
- ❑ Verifies structural integrity, prevents releases & ensures compliance
- ❑ **Frequency:** 10 years



Area	Location	Volume/Type
Tank #1	Outside- west	6,000 Gallon AST
Tank #2	Outside- west	14,000 Gallon AST
Tank #3	Outside- west	20,000 Gallon AST

Compliance Status – 2025 Risk Reduction Efforts

- Roof Safety & Fall Hazard Mitigation
 - Lamson Library: installation of safety rails
 - Improves safety and fall risk for employees and contractors
 - ***This is the third roof in 3 years to have railings installed at PSU***

- Confined Space: South Campus Steam Loop Project
 - As a part of this project, a new steam vault was installed
 - This new steam vault has valve risers that can be operated from grade. Eliminating the need to enter the vault to shutdown steam

- Fire Safety
 - Replaced five (5) Federal Pacific electrical panels
 - Federal Pacific electrical panels are known to be high risk for failure and significant fire hazards.

EHS Resource

- ❑ EHS vacancy in May of 2020
- ❑ Originally budgeted for FY25, but was put on hold due to budgetary restrictions
- ❑ Currently reviewing proposed solutions
 - ❑ Resource allocation, staffing, resources, & structure to fill the gaps.



- ❑ Safety concerns at the USNH System Offices are primarily associated with life/safety planning, security, and office ergonomics. As a leased facility, building safety issues are directed to building management for resolution. In general, response to these concerns has been prompt and effective.

- ❑ Council member institutions continued to share information and collaborate on various EHS subjects. Discussions involved mold in residential buildings, fall protection, industrial hygiene, construction safety, and abatement vendor services.



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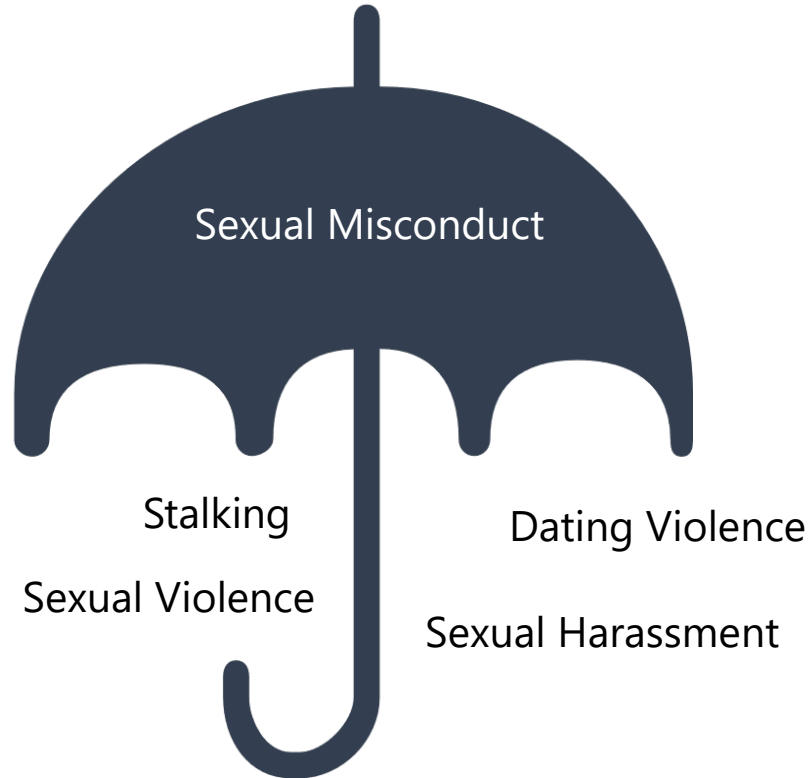
University System
of New Hampshire

USNH Title IX Annual Update

March 19, 2026

Presented by: Kelli Jo Harper (KSC); Janette Wiggett (PSU); Bo Zaryckyj (UNH)

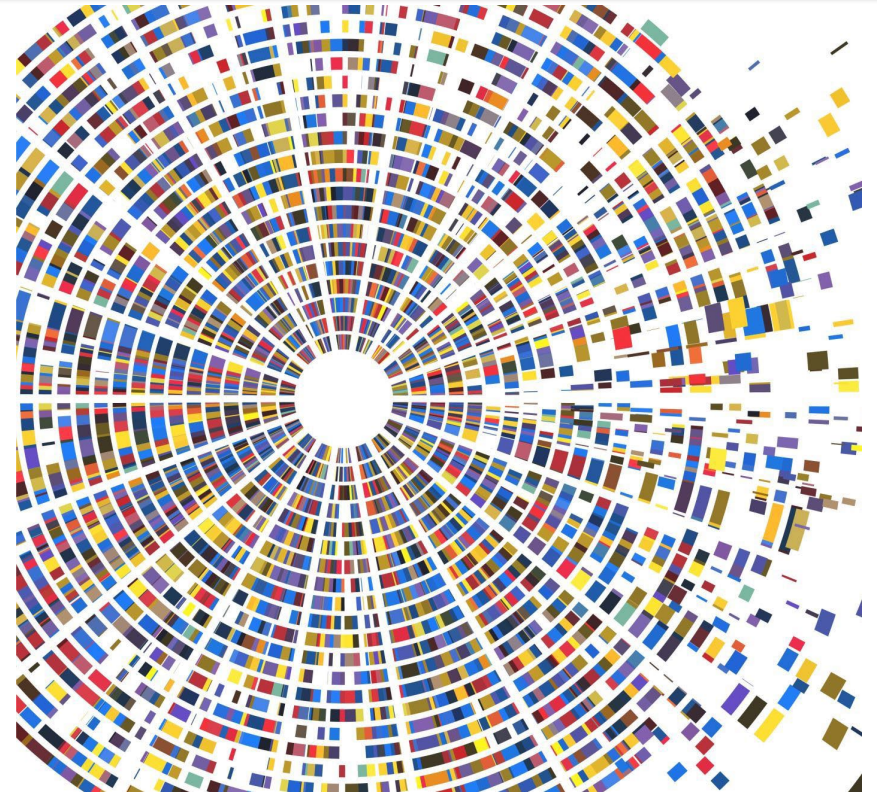
- Background
- Policy Alignment
- Special Guests



- Title IX requires institutions to respond to sexual misconduct
- Sexual misconduct encompasses a broad range of behaviors that impact students, employees, and visitors
- Responding to all forms of sexual misconduct promotes respect and accountability in the workplace and our educational programs

Institutional response includes:

- Promoting healthy and responsive reporting culture
- Impacted party agency
- Confidential resource access
- Non-punitive supportive measures
- Equitable, prompt resolution of complaints
- Community-based remedies



Title IX Coordinators learn of disclosures in a variety of ways (e.g. impacted party, third party, mandatory reporters, law enforcement).

Initial disclosures may describe a broad range of behavior experienced yet include limited detail.

While some disclosures may be of an incident from a fixed point in time, dating and relationship violence matters may include a series of incidents and the interaction between parties may be ongoing.

- Title IX Coordinators are responsible for offering and coordinating the implementation of supportive measures to individuals who have been impacted by incidents of sexual misconduct.
- Supportive measures are non-disciplinary, non-punitive individual services offered to the complainant or respondent.
- Examples include: counseling, academic accommodations, changes to work or class schedules, housing modifications, mutual no-contact directives, and leaves of absence.

Policies Prohibiting Sexual Misconduct are now aligned across USNH

- The 2024 Title IX Final Rule was vacated in January 2025
- Last spring and summer, the Title IX Coordinators again revised campus policies to ensure compliance with the 2020 Title IX Final Rule
- Prohibited conduct definitions, resolution options, procedures, and rights afforded are consistent across KSC, PSU, and UNH

Christina Johnson, P'26, P'26

Ava Johnson, Keene State College alumna

Christina and Ava will discuss Ava's experience at KSC, including accessing resources and support through the campus Title IX office.

Annual Title IX Report to the Audit Committee

*Keene State College, Plymouth State University, University of New Hampshire
March 2026*

Introduction

The USNH Title IX Coordinators are pleased to offer this annual report about sexual harassment and sex-based violence in our communities. This report seeks to advance transparency and highlight our collective work in an environment impacted by increased and shifting regulations and a complex political and social climate.

Title IX is one of the most complicated regulatory mandates for colleges and universities. It is the basis for significant litigation and institutional risk, both reputational and financial.

In our roles, we work to balance many competing factors to support the success of our students and employees and to ensure compliance with federal and state law. We continue to work with dedication and resolve in support of the safety of our campuses.

Role of the Title IX Coordinator

Title IX coordinators serve a variety of functions essential to ensuring the USNH institutions take appropriate action to stop, prevent, and remedy matters involving sex-based harassment and sexual misconduct. Title IX offices respond to incidents of sexual misconduct by determining appropriate supportive measures for students and employees, overseeing complaint resolutions, providing training for campus community members and engaging in prevention programming. Title IX coordinators work with local crisis centers when individuals disclose an incident of sexual misconduct. They collaborate with local police and county attorneys when matters are concurrently reported as crimes, mindful of navigating the complexities and conflicts of interest that may present in simultaneous investigations. They enact the institution's steps to restore and ensure access to learning, living, and working environments. Title IX coordinators implement and oversee the institution's resolution processes, ensuring equitable treatment, adherence to procedural protections, fairness, and due process.

USNH Title IX Policy Alignment

In December 2024, the 2024 Title IX Final Rule was vacated requiring higher education institutions to amend policies to return to compliance with the 2020 Title IX Final Rule. During the spring and summer of 2025, the USNH Title IX coordinators worked to update their respective campus sexual misconduct policies to ensure compliance with the Title IX regulations and to align definitions, resolution options, and procedures across all USNH campuses.

This policy alignment effort supports greater consistency in how we address incidents of sexual misconduct on all USNH campuses despite differences in organizational structure and resource allocation.

In addition to aligning the policies prohibiting sexual misconduct, the Title IX coordinators updated and aligned campus nondiscrimination policies. These policies address matters involving

discrimination and discriminatory harassment based on protected characteristics and related retaliation, as required by state and federal law. The policies have been developed to focus on preventing discriminatory conduct, applying supportive measures to restore access, and providing multiple pathways to resolve reports and complaints.

Resolving Sexual Misconduct Complaints

At each USNH campus, the institutional policy prohibiting sexual misconduct addresses matters that constitute sexual harassment under Title IX, other forms of sexual misconduct, and retaliation. The policy provides three resolution pathways to resolve reports and complaints of sexual misconduct: support-based resolution, agreement-based resolution, and investigation and decision-making resolution.

A support-based resolution is the resolution pathway most sought by individuals who have reported sexual misconduct. This option is appropriate when the impacted party does not wish to file a formal complaint and the Title IX coordinator determines further action is not required. The Title IX coordinator works with individuals to identify and implement measures to ensure access to their learning, living, and working environment. These measures are offered without fee or charge and may be adjusted throughout the time an individual is enrolled or employed. A formal complaint is not required for individuals to access a support-based resolution. A support-based resolution does not preclude later use of another form of resolution if an impacted party later opts to file a formal complaint.

An agreement-based resolution is a voluntary, structured arrangement between parties that integrates support and accountability. This resolution pathway can be initiated at any time after a formal complaint has been filed and may be initiated by either a complainant or respondent. As an alternative to the investigation and decision-making process, an agreement-based resolution allows the parties to propose and agree upon terms that support access to campus education programs and activities. Agreement-based resolution is not available in matters involving a student-complainant and an employee-respondent. Common resolution agreement terms include educational opportunities, administrative no contact orders, preferred course or housing selection, or the termination of certain affiliations.

Through the investigation and decision-making process, the institution investigates the formal complaint and facilitates a live hearing to determine an outcome. This resolution pathway provides the complainant and respondent with equivalent rights including the opportunity to provide information, to review and respond to evidence and the draft investigation report in advance of the hearing, to have questions asked of parties and witnesses during the hearing by an advisor of choice, and to respond to questions presented by the other party and the trained decision-making panel. Following a hearing, parties receive written notice of the outcome and appeal information.

While not the most frequently sought resolution pathway, the investigation and decision-making process requires significant resources to ensure the matter is investigated thoroughly and objectively and hearings are conducted equitably and in a manner that is sensitive and supportive of the parties. Investigators, procedural advisors, and decision-making panelists receive ongoing training specific to their role.

In addition to a support-based resolution, which may be preferred by individuals who do not wish to file a formal complaint of sex-based discrimination or harassment, our policies provide a formal

resolution process and an alternate resolution process. Which process best meets an individual's needs is a personal decision.

RSA 188-H Annual Data Reporting

RSA 188-H requires all New Hampshire institutions to report annually the total number of allegations of **dating violence, domestic violence, sexual assault, and stalking** reported to the institution's Title IX Coordinator **by a student or employee** of the institution **against another student or employee** of the institution. This data differs from Clery data, which is limited by campus geography and other factors. Although the state law does not mandate inclusion of allegations of sexual violence in which the alleged perpetrator is not a member of the campus community (e.g. a visitor or a student from another college/university) or reports about a third-party respondent, institutions have the option of including additional data in the report for increased transparency. The information below summarizes the data reported by USNH institutions in the first three years of the data reporting requirement.

Reported Conduct:	KSC			PSU			UNH		
	2022-23	2023-24	2024-25	2022-23	2023-24	2024-25	2022-23	2023-24	2024-25
Dating Violence	4	6	4	9	7	4	5	7	9
Domestic Violence	0	0	0	0	0	0	0	7	6
Stalking	3	3	2	2	2	2	13	14	18
Sexual Assault (including with and without penetration)	9	13	5	12	12	16	26	15	15
Sexual Harassment	3	10	6	3	4	8	20	40	55
Sexual Exploitation	1	0	1	1	3	2	7	1	2
Additional disclosures, including by/against third parties	27	46	21	16	15	20	72	118	57
Total	47	78	39	43	43	52	143	202	162

The number of disclosures or reports received is greater than the number of matters that result in a formal complaint process. Under the current Title IX regulations, a written and signed formal complaint is required to initiate the agreement-based resolution process or the investigation and decision-making process. The following is a summary of formal complaints as reported on the annual RSA 188-H report.

Formal Complaints (RSA 188-H Data¹)	KSC			PSU			UNH		
	2022- 23	2023- 24	2024- 25	2022- 23	2023- 24	2024- 25	2022- 23	2023- 24	2024- 25
Formal complaints received	2	1	6	5	0	10	0	4	4
Students found <i>responsible</i>	1	0	0	0	0	0	0	0	0
Students found <i>not responsible</i>	0	0	0	0	0	0	0	0	0

Looking Forward

It is self-evident that a healthy campus climate helps to prevent sex discrimination and sex-based harassment. Every campus community member can and should assist in maintaining and encouraging positive social and workplace conduct and engaging as active bystanders in problematic situations.

As Title IX coordinators, we remain dedicated to providing a wide range of supportive measures to community members, to implementing beneficial prevention initiatives, and to conducting thorough, objective, and empathetic resolution processes. We continue to rely on our institutional leaders and the Board of Trustees to support and engage in our efforts.

However, on each of our campuses, the challenges we face are real and mounting in a time of significant resource constraints. In addition, formal complaints often require complex and technical investigations. Each institution faces a persistent shortage of trained investigators, advisors, and decision-makers that are essential to carrying out the formal adjudicatory process. The cumulative impact of these challenges leads to lengthy investigations and hearing processes, which contribute to the misperception that institutions cannot resolve matters to a party's satisfaction and may increase resistance to reporting.

Nonetheless, we remain steadfast in our commitment to meaningful and sustained dialogue, clear policies and procedures, continuous self-improvement, and authenticity – all towards creating an environment where individuals can meet and exceed their personal, academic, and career goals.

¹ RSA 188-H data is reported annually by October 1 for the academic year prior. Data for ‘responsible’ and ‘not responsible’ fields may not reflect outcomes determined after the annual reporting deadline.

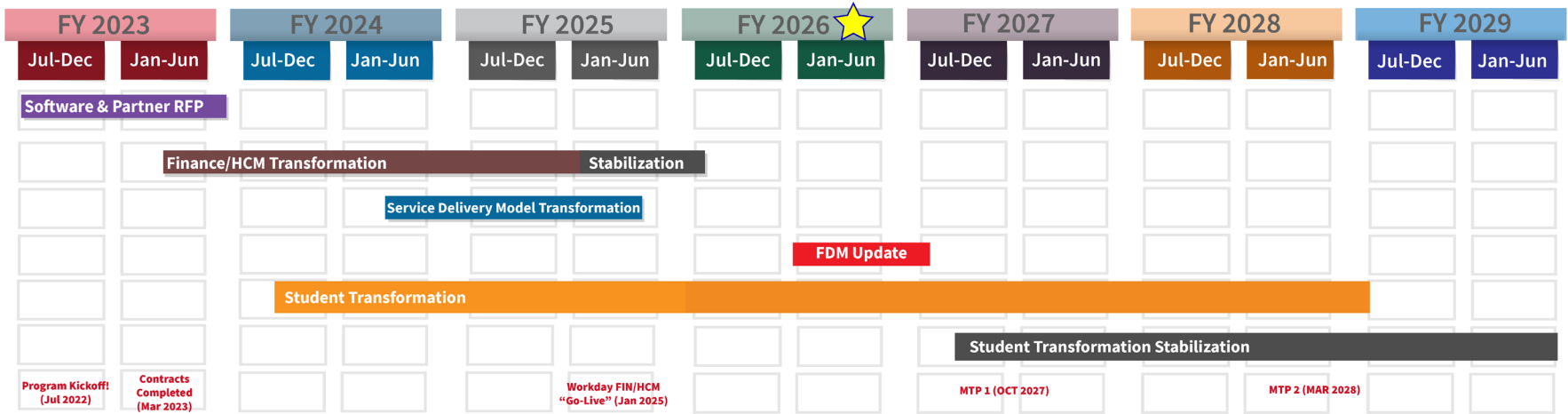


University System
of New Hampshire

ERP Program Update

March 2026

ERP Program Timeline



Software & Partner RFP
 Software "Request for Proposals"
 • Workday chosen.
Software implementation partner "Request for Proposals"
 • Cognizant chosen.

Service Delivery Model Transformation
 • Workday production governance
 • Single Point of Entry Customer Support
 • Training Documentation

Finance/HCM Transformation
 • Plan
 • Design
 • Test
 • Train
 • Deploy

FDM Update
 • Company hierarchy updates.
 • Financial processing changes.

Student Transformation
 • Readiness
 • Discovery
 • Analysis
 • Alignment
 • Plan
 • Design
 • Test
 • Train
 • Deploy

Stabilization
 • Knowledge Transfer
 • Evaluation
 • Adjustments

Key milestones completed

- January 2025 - Production go-live Workday HR and Finance platform
- January 2025 - Workday Student implementation phase kick-off
- January 2026 - Workday Student design workset A, B and C.

Key milestones upcoming

- July 2026 - Foundation Data Model Update (FDM)
- December 2026 - Workday Student Design sign-off
- January 2027 - End To End Testing MTP 1

Workday Student Status – March 2026

Stage: Design and Architect



OVERALL	SCOPE	TIMELINE	FINANCIALS	RESOURCES
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MILESTONE	START DATE	END DATE	STATUS
Design Workset A - C	Jan 2025	Dec 2025	Completed
Design Workset D	Jan 2026	June 2026	In Progress
Design Workset E	July 2026	Dec 2026	Not started
End To End Testing MTP 1	Jan 2027	Sept 2027	Not started
End To End Testing MTP 2	July 2027	Feb 2028	Not started
Move To Production 1	Oct 2027	Oct 2027	Not started
Move To Production 2	Mar 2028	Mar 2028	Not started
Hypercare	Oct 2027	June 2028	Not started

EXECUTIVE SUMMARY
<p>Overall</p> <ul style="list-style-type: none"> Architect and Design stage is extended through the end of 2026. Decision made for all institutions to use Slate as the Admissions system. <p>Scope</p> <ul style="list-style-type: none"> Student Financials and Financial Aid scope increase under review. Custom solution for cross registration functionality in discovery. <p>Financials</p> <ul style="list-style-type: none"> Change Order for extended timeline, proposed at \$3.2M, under review. <p>Timeline</p> <ul style="list-style-type: none"> At risk due to interdependency with required FDM update in July 2026. <p>Resources</p> <ul style="list-style-type: none"> No resource constraints identified.

RISK	IMPACT	MITIGATION STRATEGY
Foundation Data Model (FDM) Update delays past July 1, 2026.	FDM update pushes out to July 1, 2027; Student Financials and Financial Aid functionality incompatible.	Contract additional testing resources to address resource constraint and aggressive timeline.
Workday does not fully meet USNH Fin Aid requirements and federal regulations.	Potential incorrect aid awards and compliance issues resulting in manual workarounds and delayed packaging timelines.	In development with escalations to Workday, and information gathering with peer institutions.

Workday HR and Finance – March 2026

Stage: Production



RISK	IMPACT	MITIGATION STRATEGY
<p>Security Current security roles are overly restrictive and not aligned with operational needs within the sponsored programs environment, HR and other units, limiting appropriate access to financial, HR and award management data.</p>	<p>Operational inefficiencies, report inconsistencies, content delays in grant management activities, reliance on manual workarounds, and increased risk of errors or noncompliance due to limited ability for responsible staff to access necessary information.</p>	<ul style="list-style-type: none"> • Implemented interim access solutions or reporting generation support to ensure researchers can effectively manage awards and compliance requirements. • Known issues have been cataloged, and consultant team has been hired to propose recommendations for best practices and improvements to security configuration.
<p>Reporting Limited reports have restricted timely and reliable visibility into sponsored program financial activity, including award balances, expenditures, and commitments. Users often must run multiple reports and manually merge the data together, which is extremely inefficient.</p>	<p>Increased risk of noncompliance with sponsor requirements, delayed identification of overspending or unallowable costs, reduced oversight of grant activity, and potential financial or reputational exposure to the institution. Increased risk of inaccurate information being used for critical decisions.</p>	<ul style="list-style-type: none"> • Hired a consultant who is assisting us in prioritizing reporting enhancements and developing new reports to ensure accurate, timely visibility into sponsored program financial data for the research community. Also formed a faculty committee to identify specific reporting requirements. • Identify resources to determine the most appropriate reporting tools to meet the reporting need. Create a data warehouse/data lake. • Added a resource (1FTE – Workday Reporting Lead) to oversee the reporting needs and be the liaison between the functional users and the technical reporting team.
<p>Training Insufficient training and inconsistent understanding among employees on how to effectively use the system.</p>	<p>Increased likelihood of data entry errors, inefficient processes, inconsistent use of system functionality, and potential compliance risks related to grant management and financial reporting.</p>	<ul style="list-style-type: none"> • Hired a consultant to train sponsored programs staff, develop standardized procedures, and job aids to ensure consistent and effective system use. • Update user training documentation to include changes since go live.
<p>Adaptive Insufficient resources to support Adaptive Planning models, versions and structural elements, integration monitoring with workday and resolution of data leading issues, and maintenance and development of adaptive reports.</p>	<p>Increased risk that financial metrics, reports, and budgets rely on incomplete or inconsistent data.</p>	<ul style="list-style-type: none"> • Identify resources to adequately support Adaptive. • Prioritize finance reporting and validation needs. • Establish clearer governance and training.

ERP Inception-to-date financials/projected spend



	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Projected	FY27 Projected	FY28 Projected	FY29 Projected	Total
Total Expenses	4,154,624	9,890,300	9,351,579	10,518,516	9,493,860	7,774,474	817,469	52,000,822
Cumulative Spending	4,154,624	14,044,925	23,396,503	33,915,019	43,408,879	51,183,353	52,000,822	

- ERP program budget approved at \$50M
- Total forecast includes:
 - Contingency of \$1,229,452
 - Identified costs for the extended timeline of Workday Student
- USNH continues to analyze and reduce costs to maintain spending at \$50M level, as approved by the BOT

UNIVERSITY SYSTEM OF NEW HAMPSHIRE
BOARD OF TRUSTEES

Audit Committee

Information Item
Supporting Materials Summary Sheet

University System of New Hampshire

To: Audit Committee

Re: Outstanding Audit Issues – **For Information, No Action Required**

SUPPORTING MATERIALS (attached) – SUMMARY AND SALIENT INFORMATION

The list of outstanding audit issues includes all significant open issues from past audit reports and those that were closed since the report was last distributed to the Audit Committee. It is updated semi-annually for follow-up and control monitoring purposes. Of 38 action plans currently being tracked, 7 are from internal audit reports issued since the last semi-annual update, 7 underlying risk/control issues have been reported by management as resolved or management has accepted the residual risk, and remaining 24 are in process, much improved, and/or on hold.

SUBMITTED and APPROVED BY:

Catherine A. Provencher
Chancellor

Date Prepared: March 10, 2026

For the Meeting of: March 19, 2026

-- End of Summary Sheet --

OUTSTANDING AUDIT ISSUES MONITORING MATRIX as of 03/10/2026

#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
1	2025	KSC	Behavioral Health Improvement Institute (BHII) Data Security Review	Enhance Data Protection in Cloud Solution	1) KSC BHII will request assistance from USNH Cybersecurity to assess the risk posed by LastPass's security incidents and to determine what, if any, action is needed from BHII to mitigate that risk. This will be completed by March 31, 2025. 2) KSC BHII will contact USNH Procurement Services to contact the vendor regarding signing a formal contract. This will be completed by March 31, 2025. 3) BHII will initiate a discussion with USNH Cybersecurity concerning review of security standards for our active third-party software applications and documentation of BHII's and USNH ET&S roles and responsibilities in managing those systems. This will be completed by March 31, 2025. 4) USNH Cybersecurity completed a security review of all required external vendors (QuickBase, Formstack, LucidCharts, ClickUp, DataCamp, Google Storage, LastPass, and Otter.AI) on 12/6/2024 and USNH GRC approved the individual SARs. Responsible Party: KSC BHII Data Security Officer	Mar-25	Jan-26	■	Resolved 2/26
MGT. EXPLANATION & RESOLUTION PLAN @ 02/10/2026: (1) Resolved. KSC BHII discussed the LastPass security incident with USNH Cybersecurity and implemented any actions as recommended by USNH Cybersecurity. (2) Resolved. The terms and conditions on the order form for the application includes the data security addendum plus a BAA to cover HIPAA. USNH Procurement was comfortable with their terms as they aligned closely to USNH's. (3) Resolved. A discussion with USNH Cybersecurity was conducted and roles and responsibilities were created. (4) Resolved.									
2	2025	KSC	Behavioral Health Improvement Institute (BHII) Data Security Review	Enhance system access protocols	1) BHII conducts regular reviews of all individual access to data applications annually when managing SaaS/PaaS subscription renewals, in addition to real-time user management. We will develop tables in each of our QuickBase data platforms to document Client-initiated revisions to their roster of individuals and roles that determine the permissions governing their access to the data (historically, those requests have been made via email or in project meetings). This will be completed by March 31, 2025. 2) In addition, we will review and verify access on an annual basis with the clients. The review will be formally documented. This will be completed by December 31, 2025. 3) Client access to SharePoint content is very limited and is configured by USNH to automatically expire after a period no longer than a year without active administrative intervention. In concert with Sharepoint's audit log system, we believe no additional documentation is needed for that system. No external users are granted access to Formstack. No other systems are permitted for storage or management of sensitive data. 4) BHII's DSA template will be revised to specify that access for BHII staff is determined by the BHII Principal Investigator and enacted by the BHII Security Officer. When a BAA is deemed appropriate (when Client is a Covered Entity), the Client typically utilizes their own BAA template; BHII does not supply the template language, and revisions are rarely welcome. We will add language in the contract with the client, the DSA, or BAA (whichever is more appropriate) that requires the client to inform KSC BHII within a certain time frame of any changes to the access for external applications. This will be completed by March 31, 2025. Responsible Party: KSC BHII Data Security Officer	Dec-25	Jun-26	■	Resolved 2/26
MGT. EXPLANATION & RESOLUTION PLAN @ 02/18/2026: (1) Resolved. Tables have been developed within Quickbase to document client-initiated revisions to access roles. (2) Resolved. A formal annual review is being performed and documented over all access. (3) Resolved (4) Resolved. Draft language was provided and PIs were informed PI & post-award STAR team of this requirement going forward. F1									
3	2025	KSC	Behavioral Health Improvement Institute (BHII) Data Security Review	Enhance protocols for sensitive data handling	1) BHII engages in risk assessment throughout the selection and design of relevant tools, security agreements, and annual BHII data privacy and security trainings. Going forward, we will document the risk assessment as required by the HIPAA Security Rule. This will be completed by March 31, 2025. 2) We are currently in the process of revising the BHII's Privacy & Security Policy as needed to address emergent concerns and opportunities. This will be completed by March 31, 2025. 3) Given the evident vulnerability of existing protocols for all laptops to be encrypted before they are issued to BHII staff, BHII's Security Officer will henceforth verify encryption as part of our routine staff onboarding and hardware replacement procedures. This will be included in our onboarding checklist. This will be completed by March 31, 2025 4) BHII has terminated, and verified that it never used, Google One. They retain a generic Gmail account but that is never used for sensitive information. This was completed on January 31, 2025. 5) BHII's DSA templates have been reviewed by USNH Legal; we will submit our Jan 2025 revision for review as well and maintain the documentation of the review. This will be completed by April 30, 2025. 6) We will initiate a discussion with UNH SPA and USNH Cybersecurity to ensure external client's BAA and DSAs are appropriately reviewed and approved. This will be completed by June 30, 2025. Responsible Party: KSC BHII Data Security Office, Director of BHII, KSC	Jun-25	Jun-26	■	In Process 2/26
MGT. EXPLANATION & RESOLUTION PLAN @ 02/18/2026: (1) Resolved. The required risk assessment has been performed as required by the HIPAA Security Rule. (2) In Process. KSC BHII is currently working on updating the BHII's Privacy & Security Policy. The due date was extended to June 30, 2026. (3) Resolved. The encryption verification has been added to the onboarding checklist. (4) Resolved. (5) In Process. KSC BHII is currently working on addressing the management action plan. The DSA templates have been updated and is under review by Legal. The due date was extended to June 30, 2026. (6) In Process. KSC BHII is currently working on addressing the management action plan. The due date was extended to June 30, 2026.									

OUTSTANDING AUDIT ISSUES MONITORING MATRIX as of 03/10/2026

#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
4	2021	PSU	Student Billing Audit	Enhance protocols related to mandatory and course related fees	1) The Finance Division, in conjunction with the Registrar's office, will establish/enhance policies and procedures regarding the set up and use of course related fees by December 31, 2021. Through the implementation of the UShopNH tool, the majority of expenses charged against course fee revenues is evaluated at the time of purchase. For those items, such as reimbursements, that are not processed through the purchasing tool, the Finance Division will establish a periodic review process to ensure the appropriateness of expenses charged against course fee revenues beginning July 1, 2021. 2) PSU Finance will create a formal policy on how student mandatory fees can be used. This will be implemented by December 31, 2021. Procedures on how to access/spend the dollars will be governed by USNH purchasing and disbursement policies and procedures. Through the UShopNH tool, the PSU Finance Office has greater insight into related expenditures that are occurring and by virtue of their approval of the requisition is validating the appropriateness of the expense. As the new FAR travel and expense process is being constructed, PSU is advocating to have Campus Finance Offices insert the Banner Finance approval process for such payments to employ the same allowability review that occurs for transaction processed through the UShopNH tool. 3) Mandatory auxiliary fees support auxiliary activity, and USNH elected to classify these revenues in alignment with the activity they support. USNH Financial Services will evaluate the existing practice and as part of the policy updates underway to support the Financial Administrative Restructure project and document its justification for the classification by June 30, 2022. The language in MD&A also will be clarified to fully disclose the categories of auxiliary activities for the year ending June 30, 2025	Dec-21	Jan-26	■	Resolved 2/26
MGT. EXPLANATION & RESOLUTION PLAN @ 02/25/2026: (1) Resolved. Formal guidelines surrounding course related fees have been created and implemented. In addition, course related fees are reviewed annually to ensure that they still should be applied to the specific course. (2) Resolved. A formal policy has been approved by the PSU Cabinet and PSU President. (3) Resolved									
5	2022	UNH	Athletics Cash Carrying & Depositing	Enhance security of payment card data	1) Athletics management will develop procedures for processing payment card transactions and handling of related data to comply with USNH policy 10-010 USNH Payment Card Data Security. These procedures will be incorporated into the UNH Athletics Box Office desk manual. 2) Individual user accounts will be setup in PayConex to comply with PCI DSS Requirement 8. 3) Management will periodically review PayConex access for appropriateness. 4) Athletics management will work with USNH Treasury to review credit card swipe terminals and computers used in processing of Athletics credit card activity for compliance with PCI DSS requirements. 5) Management will notify staff that user credentials should not be stored in electronic files. 6) Background checks are performed on employees and student interns who have access to PayConex. Also, PCI-DSS training is provided to staff and student interns. Athletics management will work with USNH Treasury to track training to ensure that training is completed to meet PCI-DSS requirements.	Sep-22	Jun-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/30, 2026: (1) In Process. This is in draft form and will be finalized in the coming months. The due date was extended to June 30, 2026. (2) Resolved. All individual user accounts comply with PCI DSS Requirement 8 (3) In Process. To be included with documented procedures. The due date was extended to June 30, 2026. (4) - (5) Resolved. (6) In Process. Athletics is in the process of ensuring interns/staff are trained and that background checks are complete for all employees who accept payments. The due date was extended to June 30, 2026.									
6	2024	UNH	Grants Subrecipient Monitoring	Enhance subaward monitoring procedures	1) We will update our monitoring plan to include the recommendations mentioned above. In addition, we will update the responsible parties for each type of monitoring activity. 2) We will update the subrecipient monitoring policy to reflect how cross-cutting audit findings should be addressed and when the RAQ should be updated. 3) On an annual basis, SPA does perform a risk assessment. The most recognized risk assessment in the industry is the verification that the subrecipient organization has completed its 2 CFR Part 200 Subpart F - Audit Requirements as applicable. SPA monitors and reviews the audit reports and the responses from the subrecipients. In the event that SPA has concerns about the audit report or the corrective action plan, the subrecipient is contacted to resolve those issues. If the subrecipient does not respond to SPA's concerns in a timely manner, future and/or final payments on any current agreement may be withheld. In addition, we will update the initial RAQ based on the identified concerns or findings. 4) In addition, we will perform an annual review over a sample of subrecipients to ensure that the monitoring activities are performed by the responsible parties. Agreed actions will be completed on or before 09/30/2024 Responsible party: Associate Vice President and Chief Research Administration Officer	Sep-24	May-26	■	In Process 2/26

OUTSTANDING AUDIT ISSUES MONITORING MATRIX as of 03/10/2026

#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
MGT. EXPLANATION & RESOLUTION PLAN @ 02/17/2026: (1) - (2) In Process. We are currently working on updating the monitoring plan. The due date was extended to May 31, 2026. (3) Resolved. The RAQ was updated to include the monitoring activity and also any findings that were identified during the audited financial statement review. (4) Resolved. All annual reviews are now reviewed by the Subawards Manager.									
7	2024	UNH	International Operations	Update UNH International Travel Policy	<p>1) The Senior Vice Provost will coordinate with the USNH Associate General Counsel, and the UNH Chief Research Administration Officer to:</p> <p>A) Update the UNH International Travel Policy including responsibilities for ownership for Travel Aboard program and authority to enforce the UNH International Travel Policy among all UNH-sponsored international travelers, especially faculty and staff and repercussions for lack of compliance.</p> <p>i) The updated policy will include communication and procedural protocols in case of emergencies during travel abroad and roles and responsibilities of key parties, including faculty, staff, and the ITRRC. ii) The updated policy will describe roles and responsibilities related to managing and monitoring employees travelling abroad, and any special measures for employees travelling to high-risk countries, to include use of clean laptops and other devices. UNH's president will have the final approval of the policy.</p> <p>B) Communicate the policy and provide training and guidance for faculty and staff on UNH international travel policy requirements.</p> <p>2) The existing Education Abroad Enrollment Manager Manual includes procedures for checking the International Travel Registry ahead of student travel and ahead of approving students in Via-TRM. Education Abroad is in the process of updating and improving the manual; we will ensure that the manual is up to date and clear and concise regarding procedures to check for student registration in the travel tracker before approving the International Travel Registry form in Via-TRM. Education Abroad will provide additional training to the Global Enrollments Management team regarding the process of preparing students for their travels and, specifically, to reinforce the requirements to log into the travel tracker to ensure students' itinerary is registered before final approval of travel.</p> <p>Education Abroad is in the process of updating the International Travel Registry form where students are required to acknowledge responsibility for the changes in the travel plans, starting with the Summer 2025 applicants.</p> <p>3) Education Abroad will continue to work with our faculty and partner companies and institutions to ensure that students' itinerary is updated in the travel registry as needed, especially due to planning delays, location changes, or any other itinerary updates. Education Abroad will continue to educate students on the importance of accurate and up-to-date itinerary information in the International Travel Registry (International SOS Tracker). The Global Enrollment Management team will also continue to coordinate with Education Abroad Advisors as needed and contact students' emergency contacts for any needed or lacking information.</p>	Jul-25	Jun-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/28/2026: (1) In Process: Management is currently working on addressing this management action plan. The due date was extended to June 30, 2026. (2) Resolved. The Education Abroad Enrollment Manager Manual and the Enrollment Procedures Manual have been updated and provided to staff. In addition, all staff are trained on the manuals. (3) Resolved. The updated Enrollment Procedures Manual includes now detailed procedures to review all international travel before the departure date to ensure accurate information is in the International Travel Registry.									
8	2024	UNH	International Operations	International Students and Scholars Policies, Roles, and Responsibilities	<p>The Senior Vice Provost for Academic Affairs will coordinate with USNH Associate General Counsel, UNH Research, Economic Engagement and Outreach, and UNH OISS to develop and promulgate a policy for foreign visitors to include international students and scholars that includes appropriate roles, responsibilities, and procedures across departments as appropriate. UNH's president will have final approval of this policy.</p> <p>Roles, responsibilities, and procedures include:</p> <p>A) Overall governance of programs that support foreign visitors and employees</p> <p>B) The employment eligibility verification process (I-9 forms)</p> <p>C) Approval of international student and scholar applications</p> <p>D) Tracking visa and foreign visitor status</p> <p>E) Reporting to the appropriate federal government department/agency</p> <p>F) Monitoring the activities of foreign visitor to ensure propriety and consistency with their exchange or foreign visitor status</p> <p>G) Monitoring the physical location of foreign visitors</p> <p>H) Monitoring foreign visitor access to data, intellectual property, and other sensitive information</p> <p>I) Recordkeeping processes</p> <p>J) Crisis management and welfare support for international students and scholars</p>	Mar-25	Jun-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/28/2026: In Process. UNH management is currently working on addressing this management action plan. The due date was extended to June 30, 2026.									



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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status
9	2024	UNH	International Operations	Enhance Data Security	<p>1) The Senior Vice Provost for Academic Affairs will coordinate with USNH Cybersecurity to include in the updated UNH International Travel Policy clearly defined protocols to secure data during international travel, including the use of clean devices in countries deemed to have a higher risk, and including user access to UNH systems during international travel.</p> <p>2) The Senior Vice Provost for Academic Affairs will coordinate with USNH Associate General Counsel and the Sr Coordinator for Risk Management and Partnerships to ensure the updated UNH International Travel Policy includes clear roles and protocols regarding data protection regulations of applicable foreign (e.g., UK and GDPR) countries. These protocols may include the use of consent forms for all international travelers.</p> <p>3) Education Abroad will develop and implement data security policies and standard operating procedures including roles and responsibilities and:</p> <p>A. Handling and storing sensitive student data, including retention requirements. Education Abroad will obtain advice from the Associate General Counsel to develop a schedule that articulates specific document retention requirements for each type of document/data handled by the office. The policy will include the requirement that any sensitive information required from students and scholars is requested to be submitted via Via-TRM (not email). The policy will include protocols for cases in which the office receives sensitive data via methods other than Via-TRM.</p> <p>B. An annual Via-TRM user access review process, including Director approval of the access review.</p> <p>4) The Via-TRM and International SOS contracts are up for renewal on August 31, 2025. In the meantime, Education Abroad will coordinate with USNH Procurement Services to either process new Requests for Proposals or renegotiate the current contracts. We will coordinate with USNH Procurement Services to ensure that any new contracts, whether renewals or not, include all appropriate data security language to protect UNH's interests. Education Abroad will also coordinate with USNH Cybersecurity and General Counsel as needed to ensure the proper language in the contracts regarding security of UNH's and students' data.</p> <p>5) Education Abroad will coordinate with USNH Cybersecurity and Legal Counsel to create policies and protocols related to data security and international data privacy regulations for study abroad programs. The policy will address low, medium, and high risk areas of travel and any specific data security needs by country, as applicable. Additionally, Education Abroad will require students to sign in Via-TRM data consent form that mitigates the data consent regulation risk for travel to all countries (similar to and instead of the current EU GDPR data consent forms). Finally, we will add USNH Cybersecurity Incident Reporting procedures and Cybersecurity Tips for International Travel to the Canvas prep course.</p> <p>6) OISS will develop and implement data security policies and standard operating procedures including roles and responsibilities and:</p> <p>A. Handling and storing sensitive international student and scholar data, including retention requirements. Based on requirements promulgated by the UNH Office of the Registrar, the Department of Homeland Security, the Department of State, and the Department of Justice, OISS will develop a schedule that articulates specific document retention requirements for each type of UNH-sponsored students and scholars. The policy will include the requirement that any sensitive information required from students and scholars is requested to be submitted via eOISS/Sunapsis. The policy will include protocols for cases in which OISS receives sensitive data via methods other than eOISS/Sunapsis.</p> <p>B. An annual user access review process, including Director approval of the access review.</p> <p>OISS will open a ticket to request a technical assessment of the health of Sunapsis to include review of existing services and ports and ensure periodic vulnerability scans and web application testing. OISS will coordinate with Cybersecurity to ensure completion of the review.</p>	Dec-25	Jul-26	In Process 1/26
<p>MGT. EXPLANATION & RESOLUTION PLAN @ 01/28/2026: (1) - (2) In Process. Management is currently working on addressing this management action plan. The due date was extended to June 30, 2026. (3) In Process. UNH Education Abroad is currently working on drafting the protocols for handling and storing sensitive student data. An access review for Via-TRM has been completed and will be conducted and documented semi-annually. The due date was extended to July 30, 2026 (4) Resolved. New contracts for Via-TRM and International SOS have been signed. Both contracts include the appropriate data security language. (5) In Process. Education Abroad has added the USNH Cybersecurity Incident Reporting procedures and Cybersecurity Tips for International Travel to the Canvas prep course. Management is currently working on addressing the remaining management action plan. The due date is extended to July 30, 2026 (6) Resolved. OISS has developed and implemented a retention period requirement for each type of documentation. In addition, the annual access review has been completed.</p>								

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status
10	2024	UNH	International Operations	Approval and Periodic Review of Education Abroad Programs	<p>1) Education Abroad will continue to work with the University Committee of Study Abroad (UCSA) to document specific and clear criteria for program approval, for all programs, to include: academic effectiveness, emergency protocols in place including roles and responsibilities, policies in place to notify UNH of student incidents, definition of what constitutes a reportable incident, policies in place to notify UNH of changes in student academic status (e.g., students not adhering to program requirements), appropriate housing and accommodations, responsibility for logistics</p> <p>-consideration of costs to students, appropriate credits earned, responsibility for security of sensitive student and UNH data, mitigation of risks associated with international privacy laws, program-specific orientation</p> <p>As part of this documentation, Education Abroad will develop clear detailed checklists to ensure all key aspects indicated above are included in program reviews, approval, and reapprovals. Also included will be formal policy to review: all faculty-led programs at least every five years and when there are substantial changes to programs or situations that affect programs, all partner programs annually, with specific review criteria and documentation requirements, and relationships with and performance of all partners at least every five years. This will be completed by December 31, 2026.</p> <p>2) Education Abroad will develop a procedure for faculty who lead programs to sign an acknowledgment listing their duties and responsibilities as program leaders or participants. We will include a clause to address their responsibilities and limitations related to FCPA and other requirements. Beginning in February 2025, Education Abroad will coordinate with USNH Procurement Services to begin using the Jaggaer Contract Module to process partner program agreements (new agreements and renewal agreements). Lastly, Education Abroad will coordinate with COLSA implement a process of processing EcoQuest student applications through Via-TRM. EcoQuest students will go through the same approval process including attending required trainings and orientation and completing all relevant and required forms to be approved to travel with the program. This will be completed by December 31, 2025</p> <p>3) Education Abroad will coordinate with USNH Procurement Services to employ the Jaggaer Contract Module to track all existing agreements, both partner and exchange agreements, so that staff can ensure the agreements are current. This will be completed by June 30, 2026.</p> <p>4) Education Abroad will work with USNH General Counsel to determine how to mitigate risks regarding all relevant international privacy regulations (e.g., student data-use consent forms). Education Abroad will work with USNH General Counsel to ensure all partner and exchange agreements include the terms recommended by USNH General Counsel related to data privacy.</p> <p>5) Education Abroad will coordinate with USNH Cybersecurity to mitigate risks regarding student and UNH data security and the language specific to data security that should be included in all agreements and faculty-led program documents. All Education Abroad agreements and faculty-led program documentation will clearly address roles responsibilities for data security going forward. This will be completed by December 31, 2026</p>	Dec-26	Dec-26	In Process 1/26
<p>MGT. EXPLANATION & RESOLUTION PLAN @ 01/28/2026: (1) - (2) In Process. University Committee of Study Abroad (UCSA) has provided a faculty-led program proposal that will be the basis of the program review, and a tentative schedule for program reviews has been set. In the meantime, the Assistant Director is working on a program review rubric. The due date was extended to July 30, 2026 (3) In Process. Education Abroad is currently working with USNH Procurement to upload all existing and any new MOUs into UShopNH for tracking purposes. The due date was extended to July 30, 2026 (4) Resolved. All templates have been updated to include data privacy terms. (5) In Process. Management is currently working on addressing this management action plan. The due date is December 31, 2026.</p>								

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
11	2024	UNH	Human Subject Protocols Compliance	Enhance the IRB Approval Protocols procedures	1) There is currently a one-way integration between Cayuse SP and Cayuse Human Ethics in that Cayuse SP, on both the Proposal and Award forms, has a function to allow the applicable Human Ethics record to be linked. No such link is possible (yet) in Human Ethics, so RIS is reliant upon the information provided by the PI in the IRB application. According to Cayuse, it is part of future upgrades to enhance communication between the modules. Until then, UNH SPA will reinforce with the PI to link all IRB protocol # in Cayuse SP through the system. In addition, RIS will add to the Cayuse Human Ethics initial application (for those applications that have an external sponsor) a text field to include the full name of the research project (name of the project as noted in Cayuse SP) and federal project number. In addition, IRB Analysts will reinforce that the PI needs to provide the Cayuse Award/Proposal number and the name of the PI as noted on the proposal/award. 2) We will reach out to Cayuse to advocate this improvement. 3) RIS staff will update the existing procedures to include standard naming conventions that will be used by the PI when submitting a new protocol. The standard naming convention will be verified during the initial review of the IRB protocol. 4) We will develop and implement roles and responsibilities for the items mentioned in the above recommendations. RIS staff will add to the Cayuse Human Ethics initial application for those applications that indicate an external sponsor a question for the PI to certify that the sponsor has given approval for the involvement of human subjects in the research and where applicable, an incentive payment. If the payment of incentives is approved in the proposed budget and the proposed budget is accepted by the Sponsor, by definition it is approved by the Sponsor. SPA will check that incentive payments are included in the award budget. 5) UNH SPA, when necessary, will add language to the fee for service contract regarding IRB approval for any research activities involving human participants on behalf of the sponsor. 6) RIS and SPA staff will be trained on new processes once they are in place and any guides will be updated to ensure PIs are aware of the changes. 7) UNH SPA and RIS will offer formal training on the importance of IRB protocols to PIs and their administrative staff. Responsible Parties: Associate Vice President and Chief Research Administration Officer, UNH & Director of Research Integrity Services, UNH	Jun-25	Sep-26		In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/12/2026: (1) - (2) In Process. We have reached out to Cayuse to advocate for this improvement and hope to see this feature in future upgrades. The due date was extended to September 30, 2026 (3) Resolved. RIS have added to the Cayuse Human Ethics initial application (for those applications that have an external sponsor) a text field to include the full name of the research project (name of the project as noted in Cayuse SP) and federal project number. (4) Resolved. RIS staff have added to the Cayuse Human Ethics initial application for those applications that indicate an external sponsor a question for the PI to certify that the sponsor has given approval for the involvement of human subjects in the research and where applicable, an incentive payment (e.g., by attachment of a copy of the sponsor-approved budget justification). (5) In Process. UNH SPA is currently working on addressing this management action plan. The due date was extended to September 30, 2026. (6) Resolved. RIS and SPA staff have been trained on the new process. (7) In Process. We are currently working on developing a formal training on the importance of IRB protocols to PI. The due date was extended to June 30, 2026									
12	2025	UNH	Parking Operations	Enhance Data Security	1) For the systems that did not receive a full HECVAT review, Touchnet will be replaced by Nelnet by June 30, 2025, and Flowbird will be sunset by July 1, 2025. Parking Services management team will submit a ticket to USNH cybersecurity on July 1st each year so they may conduct timely reviews, to include annual reviews for all systems, and a full HECVAT review for any pending system contracts going forward. We have requested ET&S to implement USNH SSO and MFA for Cardinal and iParq. 2) Parking Services management team will conduct a formal documented review of access to any systems that Parking manages annually on July 1st. 3) Parking Services has reached out to USNH Financial Operations and the PCI Compliance Specialist to ensure that the HCS Administrative Coordinator receives notifications for training requirements regarding PCI compliance for all required Parking Services employees. All staff are currently up to date on PCI training and will be tracked by the HCS Administrative Coordinator. 4) Parking Services management will work with Student Financial Services and ET&S to receive business office payments on student accounts through OneDrive or SharePoint by June 30th. 5) Parking Services management will develop and implement policies and procedures including roles and responsibilities of handling and storing sensitive payment and other data, including retention requirements for Campus Services by July 1st. Responsible Party: Parking and Campus Services Manager, UNH	Jul-25	Jun-26		Resolved 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/23/2026: (1) Resolved. A SAR review has been completed for the applications. In addition, USNH SSO and MFA have been implemented for Cardinal and iParq (2) Resolved. A formal documented review was performed. (3) Resolved. All staff are currently up to date on PCI training and are tracked. (4) Resolved. We have reached out to Student Accounts to request delivery of the Business Office payments through SharePoint. The due date was extended to June 30, 2026. This item has been downgraded to a medium risk and as such will be marked as resolved for reporting purposes. We will continue to follow up on this item until fully resolved. (5) Resolved. Policies and Procedures have been implemented.									

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
13	2025	UNH	Animal Care and Use Protocols Compliance	Enhance the Billing procedures	1) We will review the existing per diem rates for housing research animals and update them as appropriate based on the review. We will review all costs associated with the facility and ensure that the units used in the analysis are reasonable. In regards to the outstanding internal billing to PIs, we will review the impacted cost centers and record any revenue for outstanding balances if needed. 2) Internal billing rates will be evaluated and approved annually. 3) We will establish and implement formal procedures regarding the purchase of research animals and ensure that all research animals are billed to the PIs. In addition, we will review the animal purchases that are noted in the findings and bill the animals to the PI. 4) We will establish and implement formal procedures related to appropriate internal billing for the transfer of internally bred research animals. Responsible Party: UNH Associate Dean for Research, COLSA Director	Dec-25	Jun-26	■	Resolved 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/27/2026: (1)-(2) Resolved. The per diem rates have been reviewed and the rate setting aligns with NIH standards. Two aspects of rate setting were updated as following: Rates now reflect costs associated with proportion of FTE of the time that the ARO director and assistant director spends in overseeing animal care, rates are now posted on a three-year schedule, with annual input cost increases incorporated into the schedule so that researchers can incorporate annual increased rates into their grant applications, and rates will be evaluated on an annual basis. The rates are now more in line with other regional universities but are still fundamentally based in the actual costs at UNH rather than simply pegging UNH rates to other institutions, which may experience different operational and financial conditions than UNH. (3) Resolved. Prior to all purchases, Principal Investigators must contact the ARO. Obtaining vertebrate models will then be coordinated with the ARO and PI so that either the PI pays for purchases directly with a grant or the ARO makes the purchase and immediately creates a bill to be sent to the ARO billing coordinator for invoicing with a statement from the providing company as backup/proof of purchase (4) Resolved. Procedures for internally bred research animals were evaluated. It was concluded that because the effort and input costs of rearing and raising internally bred animals were already taken on by PIs as part of the process, no additional internal billing is required. Any costs incurred by the ARO for assisting with rearing animals and transitioning them to typical ARO care are already being billed to PIs.									
14	2025	UNH	Animal Care and Use Protocols Compliance	Enhance the IACUC Approval Protocols procedures	1) We are currently working with Cayuse to upgrade the Animal Oversight module. Once the upgrade is completed, we will be able to obtain all the information through the application. We will import and develop the IACUC protocols within Cayuse Animal Oversight and request all needed information, ensuring that the IACUC protocols will be linked to Cayuse Sponsored Projects for consistent data mapping. This depends on the vendor's timeframe and the integration capability of the two modules, but we currently estimate that this will be completed by December 30, 2026. 2) Until the upgrade of the Cayuse Animal Oversight module is completed, during the initial review of IACUC applications, we will check with the PI regarding the grant title, award information and PI (if different from the IACUC protocol) if the PI indicates external funding on the application. Any guidelines will be updated and reinforced with the PIs. This will be completed by September 30, 2025. 3) We will develop and implement roles and responsibilities regarding animal use and care approval and monitoring. Once we have upgraded the Cayuse Animal Oversight module, for those initial applications that indicate and external sponsor, RIS staff add a question for the PI to certify that the sponsor has given approval for the involvement of vertebrate animals in research and where those animals need to be purchased. This will be incorporated into the IACUC manual. This will be completed by December 30, 2026. 4) We will update the training section within the IACUC manual, to include that any training certificates through the CITI program will have an expiration date of 5 years and any training program completed prior to that, does not have an expiration date. This will be completed by September 30, 2025. Responsible Party: Director of Research Integrity Services, UNH	Dec-26	Dec-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/23/2026: (1) In Process. UNH management is currently working with the vendor to address this issue. The due date is December 31, 2026. (2) Resolved. Going forward, inquiries are performed with the PI regarding the grant title, awarded information, and PI if external funding is used. (3) In Process. UNH management is currently working with the vendor to address this issue. The due date is December 31, 2026. (4) Resolved. The training section and website was updated to reflect the validity of the training certificates.									
15	2025	UNH	Advancement Data Security	Enhance PCI-DSS Compliance	1) We will update the UNH Advancement-specific PCI-DSS data handling procedures to ensure alignment with current practices. In addition, we will review the procedure annually for any changes. This will be completed by July 1, 2025. 2) In discussion with USNH's E-Commerce & PCI Compliance Specialist, we determined that our current process of Development Officers writing down credit card information, calling GDM to process securely and then securely destroying the credit card information securely is, in fact, the PCI-DSS compliant way to handle this process. They did note that we should avoid using whiteboards and just focus on paper so we will remove the whiteboard option for development officers and provide clear communication/direction on this change. This will be completed by September 1, 2025. 3) USNH manages the PCI-DSS training program including tracking who is in program and who has completed. We will connect with USNH to determine how they can best share information on Advancement when the automated notices go out for annual training. This connects with the other action item identified here for GLBA/FERPA trainings. It will be the same solution for all. This will be completed by December 31, 2025. Responsible Party: UNH Director of Gift and Data Management	Dec-25	Dec-25	■	Resolved 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/12/2026: (1) Resolved. The PCI-DSS data handling procedures have been updated and finalized. (2) Resolved. (3) Resolved. PCI-DSS training is now tracked within Workday and shared with UNH Advancement to ensure compliance with the completion of the training.									

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
16	2025	UNH	Advancement Data Security	Enhance data security protocols	1) We will create a records retention policy as it relates to confidential data and document it with any necessary procedures. Once in place, we will communicate it within Advancement and carry out the necessary removal of identified documents accordingly. We will seek out sample documents from other institutions to guide this outcome. This will be completed by June 30, 2026, by the Senior Executive Director of Finance, UNH Advancement & Treasurer, UNH Foundation. 2) Once we complete the step above, we would then document the policies/procedures that are needed in compliance with existing USNH policies that already apply to Advancement. This will be completed by December 31, 2026, by the UNH Assistant Vice President of Advancement Operations. 3) There is already a USNH Privacy Policy that is publicly posted. Advancement and all areas of UNH are subject to this policy and our actions are covered by this policy. We would first determine if an additional privacy policy is needed that covers information/details not already covered by this existing policy. If it is determined that we need a privacy policy that contains more detail than the USNH one, we will partner with USNH Counsel's office to draft and finalize a policy that covers all of UNH, not just Advancement, so it's all covered in one place. This will be completed by December 31, 2025, by the UNH Assistant Vice President of Advancement Operations. 4) We will ask HR to provide a list of all Advancement staff with a Flex Agreement on file to determine if anyone is missing. We have confirmed we are not required to renew these agreements annually, only if anything changes. We have already added a step to our new hire ticket to ensure the hiring manager puts a flex agreement on file as all Advancement staff work in a hybrid capacity. This will be completed by September 1, 2025, by the UNH Assistant Vice President of Advancement Operations.	Jun-26	Jun-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/12/2026: (1) -(2) In Process. UNH management is currently working on addressing this item. The due date is June 30, 2026. (3) Resolved. A UNH Foundation privacy policy was drafted and approved internally. It was sent to USNH internal counsel for feedback and confirmation that there are no legal risks to the policy. Once the policy was approved, it will be posted on the UNH Advancement website and communicate the new policy. (4) Resolved. All Flex Agreements have been received and are on file with HR.				
17	2025	UNH	Advancement Data Security	Enhance On-Premises Applications Security	1) We will coordinate with Cybersecurity for an updated SAR that covers on-premises controls and risks and implement any recommendations. This will be completed by September 30, 2025 2) We will coordinate with Cybersecurity to review the current MFA prompt settings, session time-out duration policies for the application and consider updating the setting to align with current security best practices and organizational needs. This will be completed by December 31, 2025. Responsible Party: UNH Director, CRM Services	Dec-25	Jun-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/30/2026: (1) Resolved. An updated SAR as been performed by ET&S. (2) In Process. UNH management is currently working on addressing this item. The due date was extended to June 30, 2026.				
18	2025	UNH	Research Computing Center ITGC	Enhance Configuration Management	1) RCC will formally document the practices into Standard Operating Procedure (SOP) and train adequate personnel accordingly. It will outline a clear process for determining which configuration changes are applicable for submission to the CAB. RCC will establish a schedule for quarterly reviews of system configurations and develop and maintain documented baseline configurations for all relevant systems and tools 2) All applicable configuration changes, including updates and patches to Windows and Linux servers, will be logged into a central system, Splunk, and reported to the CAB as per the required timelines. 3) RCC will collaborate with Enterprise Infrastructure Services (EIS) team to secure and maintain the repository (repo-01.unh.edu). Access requests are submitted via TDx and reviewed by that team prior to allowing new developers to log in. All code changes are actively being logged in the repository. 4) We will work with Cybersecurity to formalize the protocols for secure code reviews for our test sites and mobile applications through a scanning tool, like BurpSuite, prior to pushing major code changes to production and would formalize SOPs and approval process. For web development environment (Drupal), we will install a Drupal security module, like Security Kit, to monitor the code for various vulnerabilities across the site, including 3rd party libraries. 5) All installed libraries will be analyzed for security and active maintenance prior to selection. This will be completed by August 31, 2025 by the UNH Senior Director, RCC	Aug-25	Jun-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/30/2026: (1) - (5) In Process. UNH management is currently working on addressing these management action plans. The due date was extended to June 30, 2026.				

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
19	2025	UNH	Research Computing Center ITGC	Enhance Access Management	1) RCC will review systems and applications managed by RCC that are not currently utilizing central authentication. For these systems, a plan will be developed to integrate them with central authentication where feasible. For systems where central authentication cannot be immediately implemented, a formalized process for initiating regular access reviews will be documented. This process will define the steps for conducting these reviews and ensuring that access remains appropriate and continue to comply with Cybersecurity standards. Any deviation will be presented for formal risk acceptance in accordance with Cybersecurity standards. 2) Accounts are currently requested through https://ams.usnh.edu. RCC will formally document the existing procedures for granting administrative access to RCC Linux servers in a Standard Operating Procedure (SOP). We formalize a document that outlines the current definition for all roles and privileges granted to them in the repository (Reporter, Developer, Maintainer, Owner). Service Line Lead and Development Team managers will be responsible for assigning roles based on these qualifications. SOP would also document the procedure of periodic review of those roles. This will be completed by August 31, 2025 by the UNH Senior Director, RCC	Aug-25	Jun-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/30/2026: (1) - (2) In Process. UNH management is currently working on addressing these management action plans. The due date was extended to June 30, 2026.				
20	2025	UNH	Research Computing Center ITGC	Enhance IT Asset Inventory Tracking	1) Intake form is in place. This form will be revised to include details on application details and the type of data used and data sensitivity labels. The request is reviewed with the client for additional information. Going forward a checklist will be developed and completed for new requests. Lastly, the RCC team will work together to determine the data classifications and add them to Netbox. 2) SOP for IT Asset Tracking will be written up by RCC. This will include formalizing IT asset tracking requirements including software components (software inventory), data classification, commission date, name of asset, asset owner, location, purchase date, warranty status per USNH standards and policies. 3) A new asset inventory was set up in the fall and all RCC assets were migrated to it in December 2024. RCC will collaborate with security operation team to enable SSO via central auth system and additional layer of MFA to inventory Netbox. This will be completed by August 31, 2025 by the UNH Senior Director, RCC	Aug-25	Jun-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/30/2026: (1) - (3) In Process. UNH management is currently working on addressing these management action plans. The due date was extended to June 30, 2026.				
21	2025	UNH	Research Computing Center ITGC	Clarify Staff Roles and Responsibilities	We will: 1) Create a document with the roles and responsibilities of the staff. 2) Create documentation around training policies, which will be based on roles and responsibilities. RCC staff training attendance will be formally tracked. For example, HIPPA training should be done each calendar year in July. Annual Cybersecurity training is managed by the Cybersecurity team. 3) SOPs will be developed for the incident response process 4) Develop outline the steps for tracking incidents & vulnerabilities. This will be completed by July 31, 2025 by the UNH Security Administrator, ET&S RCC	Jul-25	Jun-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/30/2026: (1) - (4) In Process. UNH management is currently working on addressing these management action plans. The due date was extended to June 30, 2026.				
22	2025	UNH	Financial Conflict of Interest in Research	Enhance existing research conflict of interest reporting process	1) The monitoring list will be updated to include all active PHS, NASA, and DOE PIs. In addition, the monitoring list will be reviewed to ensure that the date of the last disclosure is correct. 2) Any missing disclosures identified by internal audit have now been obtained and reviewed. 3) Management plans will be finalized, approved, and implemented within determined timeframes. 4) RIS has already reached out to Cayuse to see if the system would be capable to send annual reminders to all investigators that work on research projects and the system isn't currently able too. We will continue with the manual tracking spreadsheet to ensure that all required disclosures are obtained. 5) Assistance Listing Numbers will be captured, and only active awards will be monitored. RIS will perform periodic (semi-annual) reconciliations between monitoring and award system to maintain integrity and completeness. These will be completed by July 30, 2026 by the UNH Research Integrity Services	Jul-26	Jul-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 01/12/2026: NEW (1) In Process. The list is updated to include all active PHS, NASA, and DoE PIs and is being actively monitored. IA is currently working on obtaining supporting documentation. (2) In Process. All missing disclosures have been obtained and reviewed. IA is currently working on obtaining supporting documentation. (3) In Process. The timeliness is related to ongoing negotiations with identified PIs. This is often a problem, but escalated as necessary (approx 1 every 3 years). The due date for this action is July 30, 2026. (4) In Process. The form is completed in Cayuse for all PIs at the time of proposal submission. For applicable PIs (related to specific sponsors), notification is manually sent to the PI annually. The due date for this action is July 30, 2026. (5) In Process. This is actively being implemented by RIS. The due date for this action is July 30, 2026.				

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23	2025	UNH	Financial Conflict of Interest in Research	Expand conflict of interest disclosure process	The Cayuse conflict of interest form is being modified to include additional questions. In coordination with the Interim Vice President for Research and Innovation, UNH, a review process will be developed to manage non-financial conflicts of interests and commitments by the researchers. These will be completed by September 30, 2026 by the UNH AVP & Chief Research Administration Officer.	Sep-26	Sep-26	■	In Process 1/26
				MGT. EXPLANATION & RESOLUTION PLAN @ 01/12/2026: NEW. In Process. This action is being addressed within the Provost's Office with coordination with the Research and Innovation office. Note, This is applicable to all UNH faculty and PAT staff, not just researchers. This item specifically relates to Conflict of Interest and Commitment, not FCOIR for externally funded researchers. Research and Innovation will support the use of Cayuse for this purpose. The due date for this action is September 30, 2026					
24	2026	UNH	College of Health and Human Services Data Security Review	Enhance protocols for confidential data protection	(1) We will author a Data Protection Protocol that operationalizes FERPA, HIPAA and USNH standards for collection, storage, transmission, sharing, and destruction of sensitive and confidential data, including an Email Security Playbook that defines do's and don'ts; mandates encryption/secure file transfer in lieu of email for restricted or protected data; and a standard response if sensitive data is received via email. Departments must classify all data they handle according to the UNH/USNH Information Classification tiers. CHHS will work with the HIPAA Privacy Officer, USNH/HIPAA Security Officer, and ET&S to review and validate the security of all OneDrive and SharePoint locations used to store or share confidential health information. Establish formal record retention and secure destruction procedures to ensure confidential data is purged on a defined schedule from all storage locations. (2) An inventory and risk assessment of all removable media with protected health information (PHI) will be performed. A disposition plan will be developed to migrate required PHI to approved, governed storage, cryptographically wipe/destroy redundant media, and document chain of custody. Physical Safe governance will be created if retention of hard-copy data is justified, update combination of physical safe semiannually and after personnel changes, maintain access log, limit keys/combination to least necessary roles. Create standard procedure for media receipt, labeling, storage, transport, and destruction. (3) We will explore if there are other ways to receive data rather than physical storage devices. Standardize receipt procedures including seal integrity check, logging on receipt, immediate transfer to controlled storage, prohibition on personal devices. Disposal will use NIST equivalent destruction for optical media (shredder/certified vendor) with certificate of destruction retained per retention policy. Incident response for lost/stolen/damaged media with PHI triggers HIPAA breach evaluation flow. (4) We will create an intake channel inventory: enumerate every pathway sensitive data enters CHHS (fax, email, mail, web forms, cloud apps, scanning, uploads to SharePoint/OneDrive/Banner/mWS). We will initiate a security assessment with USNH CISO/ET&S regarding the fax machines. (5) We will adopt CHHS Record Retention Schedule mapped to data classes and to legal/operational requirements and USNH policies on data retention. (6) We will adopt a CHHS Data Classification Procedure that aligns the terms/definitions to USNH tiers, maps common CHHS data types to tiers, assigns handling requirements, add banners/metadata on repositories and documents for Restricted/Protected data, governs access requirements, and integrates with procurement and vendor security assessment review (SAR) This will be completed by the Associate Dean for Research; Associate Dean for Academic Affairs; with support from the UNH HIPAA Privacy Officer, HIPAA Security Officer and USNH CISO	Sep-26	Sep-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 03/09/2026: NEW				
25	2026	UNH	College of Health and Human Services Data Security Review	Enhance security of shared confidential data	(1) We will consult UNH HIPAA Privacy Officer and HIPAA Security Officer, RCC representatives CHHS institute leadership, and clinical leaders to verify what PHI is being stored and how it is accessed and by whom. Draft a simple, formal service level agreement (SLA), request written confirmation from RCC that safeguards meet HIPAA requirements, and document RCC storage procedures in the CHHS Data Protection Protocol (2) We will compile a clean list of all unreviewed external software and storage applications. Submit the list to ET&S Cybersecurity for SAR review., and reinforce the required procurement workflow (3) We will request Procurement to initiate contract discussions with the five identified vendors. Ensure each contract includes required security terms, add Business Associate Agreements where necessary (for PHI systems) and clarify the responsibility for reviewing and signing off on these BAAs. (4) We will work with the UNH RCC to draft a formal SLA, to obtain written verification that RCC has implemented security controls consistent with HIPAA, State Laws, and USNH standards. Update departmental guidance to state that PHI may not be stored on RCC servers unless authorized under the SLA. File the SLA and verification in the central CHHS data governance repository. This will be completed by the Associate Dean for Research; Associate Dean for Academic Affairs; with support from the UNH HIPAA Privacy Officer, HIPAA Security Officer and USNH CISO, and USNH Procurement	Sep-26	Sep-26	■	In Process 1/26
					MGT. EXPLANATION & RESOLUTION PLAN @ 03/09/2026: NEW				

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
26	2026	UNH	College of Health and Human Services Data Security Review	Document HIPAA Covered Component Determination	(1) We will meet with the UNH HIPAA Privacy Officer to review all five CHHS departments/programs handling health related information. We will use a simple evaluation template (criteria based on HIPAA hybrid entity rules) to determine whether each unit meets the definition of a HIPAA covered component and document whether each unit is HIPAA covered or non covered. (2) We will create a short HIPAA Component Designation Memo listing and submit the memo to the HIPAA Privacy Officer for campus level recordkeeping. (3) If necessary, we will update the CHHS Data Protection Protocol to reflect which departments are HIPAA covered. (4) We will implement a biennial review process in cooperation with the HIPAA Privacy Officer to reassess HIPAA applicability for all CHHS programs handling medical or health related information. This will be completed by the Associate Dean for Research; Associate Dean for Academic Affairs; with support from the UNH HIPAA Privacy Officer, CHHS Director of Clinical, Internship, and Experiential Education	Sep-26	Sep-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 03/09/2026: NEW									
27	2024	USNH	Travel and Expense Reimbursement	Enhance controls and procedures to ensure compliance with sponsor requirements for grant related foreign travel	1) All unallowable costs noted above will be removed from sponsored projects. 2) Sponsored Programs will be launching research security training that will advise researchers traveling internationally of their obligations and responsibilities. Work to be completed by January 1, 2025. In the meantime, SPA will develop travel guidance on key areas. Work to be completed by June 30, 2024 3) UNH researchers are responsible for being informed and knowledgeable of USNH Financial Policies. The USNH Travel policy provides guidelines that are to be followed by campuses and should be incorporated in departmental purchasing process. Sponsored Programs Administration will review the USNH Travel policy and make any necessary updates to clarify roles/responsibilities and supporting documentation requirements. Work to be completed by January 30, 2024. 4) SPA will work with management to incorporate functionality from new ERP travel module to streamline reimbursement processing and include traveler, supervisor, and STAR approval workflow. Work to be completed by January 1, 2025. 5) All grant related reimbursements will be first reviewed and approved by STAR and then sent to USNH FOC for further review and payment processing. This workflow change will be incorporated into the functionality of the new ERP travel module to streamline the reimbursement process. Work to be completed by January 31, 2025 Responsible Party - UNH Sponsored Programs Director, Post Award	Jan-25	Jan-26	■	Resolved 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/23/2026: (1) Resolved. All unallowable cost has been removed from the project. (2) Resolved. A Research Security training has been launched and all PIs are required to complete the training. (3) - (5) Resolved. The new ERP system Workday, now requires formal approval from their supervisor and UNH STAR for all personal reimbursements and p-card purchases that are charged on grants. That approval is incorporated into the workflow									
28	2024	USNH	Email Security	Enhance Security Awareness & Training	1) To enhance organizational cybersecurity, a management action plan is proposed to transition USNH cybersecurity data security training from strongly encouraged to mandatory. The plan focuses on promoting awareness, reinforcement/staying current with threats, and celebrating success. Currently, the completion rate stands at approximately 60% among USNH staff and faculty. 2) Additionally, USNH ET&S will increase the frequency of the bi-annual anti-phishing exercise to quarterly. By executing this plan, the organization aims to foster a culture of security, improve employee compliance, and effectively mitigate cybersecurity risks. Owner: Director of Cybersecurity Operations & Identity Access Management, Lead Cybersecurity GRC, DB/BC Analyst, and General Counsel, USNH Expected Completion Date: December 31, 2024	Dec-24	Jun-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/21/2026: (1) In Process. ET&S management is actively working on these management action plans, which have been delayed due to the recent staffing change. Cybersecurity training is being piloted for delivery via Workday. (2) Resolved. The due date has been extended to June 30, 2026.									
29	2024	USNH	Email Security	Enhance Data Loss Prevention (DLP)	1) We will test and tune DLP rules before deployment and communicate with the USNH community on actions to be taken. We will deploy and enable DLP policies for critical roles requiring access to GLBA, HIPAA, and PCI-DSS information. 2) We will create a written policy and notification of the ability to delete inboxes upon losing birth-right roles. 3) We will create a written policy to specifically address and warn users of the ability to restrict or delete email inboxes on personal devices (BYOD) when connected to USNH M365. Owner: Director of Cybersecurity Governance, USNH, and Director of Cybersecurity Operations & Identity Access Management, USNH Expected Completion Date: July 30, 2024	Jul-24	Jun-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/21/2026: (1)- (3) In Process. ET&S management is actively working on these management action plans, which have been delayed due to a recent staffing change. The due date has been extended to June 30, 2026.									

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status
30	2024	USNH	Vulnerability Management	Improve Servers Asset Inventory & Ownership Tracking	We will conduct a review to examine data currently in TeamDynamix, establish processes to standardize data imported into TeamDynamix, for managed servers, endpoints and network devices and identify areas for automation. Owner: Assistant Vice President of Enterprise Portfolio Management Services & Customer Management, USNH and Director of Cybersecurity Operations & Identity Access Management, USNH Expected Completion Date: December 01, 2024	Dec-24	Jun-26	In Process 02/26
31	2024	USNH	IT Asset Management	Strengthen Controls Around the Procurement of IT devices	1) Analyze the dollar threshold amount before setting a reduced amount. (Dec 2024) 2) Review and update the P-Card policy and exception process with Finance and Procurement and adjust accordingly (Dec 2024) 3) Update Acquisitions policy to mandate inventory tracking, tagging and registration of IT assets (Dec 2024) 4) Review and update the endpoint management policy for exceptions for alignment with procurement and acquisitions policy (Dec 2024) Responsible Party: Director, Help Desk Services, ET&S, USNH	Dec-24	Jun-26	In Process 03/26
32	2024	USNH	IT Asset Management	Improve Central Reporting for Vendor Contracting & Security Assessment Reviews	1) Validate SAR reviews with vendors (SEED and Collegis) to be done by Cybersecurity ET&S (Oct 2024) 2) Validate SEED vendor data destruction policies and documentation (Oct 2024) 3) Review cybersecurity review process for onboarding new vendors/services (December 2024) 4) Work with procurement on contract with CoreTek (December 2024) Responsible Party: Director, Help Desk Services, ET&S, USNH	Dec-24	Jun-26	In Process 02/26
33	2025	USNH	Purchasing Card	Lack of Receipts and Business Purpose	1) We will continue to ensure that receipts are submitted and contact the cardholder and supervisor with a warning violation to attempt to obtain receipts for purchases greater than \$25. 2) We will continue to maintain the list of cardholders with policy violations started in 2024. 3) We will continue to suspend cards promptly after repeated violations. 4) For transactions that violate the policy of the PCard program, we will continue to contact both the cardholder and their supervisor with policy violation notification and provide instructions on how to reimburse the University, if applicable. 5) We will continue to contact cardholders and cardholders' supervisors for any personal or other unauthorized charges to provide instructions on how to reimburse the University, to seek reimbursement. If unsuccessful in the collection of owed funds. In addition, PCard will be suspended or terminated, and escalation to Human Resources (in consultation with legal) for recovery of unsupported funds or personnel action will be referred, as appropriate. 6) Workday workflow process contains STAR approval to change FDMs (accounting codes) from non-grant to grant prior to the reconciliation of transactions. Current Workday defaults are set to employees' non-grant related organization FDMs. 7) For transactions that appear fraudulent and for abuse of the PCard program, we will refer to HR and General Counsel for further action, including pursuing refunds for unsupported transactions or personnel action, as appropriate. The remaining 22 purchasing cardholders noted above who still have not submitted receipts will be referred to HR and General Counsel for further action. 8) UNH STAR will review the above transactions that are charged to grants and confirm the allowability and allocability of these transactions. If necessary, STAR will remove these costs from the grants. Responsible Parties: USNH Chief Procurement Officer and UNH Associate Vice President & Chief Research Administration Officer, Research, Economic Engagement, and Outreach	Jun-25	Apr-26	In Process 2/26

OUTSTANDING AUDIT ISSUES MONITORING MATRIX as of 03/10/2026

#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status
				MGT. EXPLANATION & RESOLUTION PLAN @ 02/10/2026: (1) In Process. USNH management is currently working on the risk acceptance memo. The due date was extended to April 30, 2026. (2) - (3) Resolved. We actively follow up with cardholders that have not submitted receipts over \$25 or have missing reconciliations. Cards are timely suspended until the card holder submits all required receipts. (4) Resolved. All Policy violation notifications include both the cardholder and their supervisor regarding their violation. Refer to the attached violation notice for more details. The notification includes instructions on how to reimburse the University (5) Resolved. All Policy violation notifications include both the cardholder and their supervisor regarding their violation. In addition, starting in December 2025 the PCard Administrator met with NSAR and it was changed how they notify the team to improve the process and save staff time. Now a 'Task' within a TDx Service Request is added and then assigned to NSAR whose team then closes the Task, once they received the check. The notification includes instructions on how to reimburse the University (6) Resolved. FDM's can be changed from non-grant to grant prior to the reconciliation of the transaction within WD. (7) In Process. USNH management is currently working on the risk acceptance memo. The due date was extended to April 30, 2026. (8) Resolved: UNH STAR reviewed the identified transaction and confirmed the allowability and allocability of the transactions.				
34	2025	USNH	Purchasing Card	Ensure Cardholder Compliance with USNH Policy and Procedures	<ol style="list-style-type: none"> 1) Current PCard Training iterates the requirement for cardholders to review and adhere to all USNH Financial Services Policies and Procedures. This will continue to be included in training, if updates are warranted. 2) Workday includes designated reviewers (supervisors or STAR for PIs as cardholders) are required to review grant-related transactions over certain dollar thresholds for adherence to all USNH Financial Services Policies and Procedures, and grant requirements as applicable and reiterate policy requirements as needed. This has developed clear roles and responsibilities for reviewing PCard transactions by STAR and USNH FOC. 3) Confirmed with a Wells Fargo that only credits can be charged after a PCard has been closed with Wells Fargo. The sample finding indicated that the PCard was reflected as closed in Banner; however, it was not closed in the Wells Fargo portal. The PCards were closed with Wells Fargo, to prevent further transactions. 4) Staff will continue to perform monthly reviews of reports detailing transactions after employee terminations and will investigate any transactions after termination. We will continue to regularly review terminated employee list, and will continue to suspend or terminate the card, depending on the business requirement status findings. 5) We have issued policy violation notices for the above noted transactions. 6) The PCard signature line will be updated for the cardholder, the supervisor or his/her delegate or PI. We will evaluate future opportunities to collect the attestation from cardholders and supervisors that they possess a working knowledge of the USNH Financial Services Policies and Procedures annually. 7) We will implement a process of reviewing PCard transactions periodically for purchases from catalog vendors and follow up with cardholders. 8) We will continue to work with cardholders to resolve issues with transactions that arise from FOC's review. For items that cannot be resolved, Procurement will issue warnings, track violations, and require additional training for cardholders with more than one violation. Escalating to General Counsel and HR will take place, if applicable. A periodic report may be presented to FINEC on PCard trends and compliance at any time upon FINEC's request. 9) We will identify purchases that occur post termination. 10) The PCard policy will be updated to include that reviewers of transactions are required to report repeated violations for tracking and follow up as needed. 11) We will seek approval from FINEC to add the recommended additional training requirements to the policy as well as request any additional resources necessary to complete this recommendation. 12) Additional controls have been built into Workday. We will develop guidance for the FOC staff on the above areas and areas such as business purpose, unallowable expenses, and receipt documentation requirements. Training will be provided during weekly T&E/PCard meetings. After the training, all FOC staff reviewing transactions will be asked to formally acknowledge all financial policies including gift and awards, taxability of gifts, and alcohol. 13) We will request Level 3 data to be available for FOC review within Workday. If this cannot be achieved, we will ask FINEC to accept the risk. 14) UNH STAR will review transactions (charged to grants) and verify pre-approval documentation and confirm the allowability and allocability of these transactions. If necessary, STAR will remove these costs from the grants. 15) Workday workflow requires preapproved authorization to approve certain predefined expenses (e.g., foreign travel). Additionally, training, including the approval process for expenses charged to grants, was provided to PIs before the Workday implementation in November and December of 2024, and sponsored program expense training will be ongoing as STAR continues to complete the Workday implementation process. Responsible Party: USNH Chief Procurement Officer, USNH Finance Support Manager, and UNH Associate Vice President & Chief Research Administration Officer, Research, Economic Engagement, and Outreach	Dec-25	Jun-26	In Process 2/26

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#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
				<p>MGT. EXPLANATION & RESOLUTION PLAN @ 02/10/2026: (1) Resolved: Current PCard Training iterates the requirement for cardholders to review and adhere to all USNH Financial Services Policies and Procedures. (2) Resolved: With the implementation of Workday, designated reviewers (supervisors or STAR for PIs as cardholders) are required to review grant-related transactions over certain dollar thresholds for adherence to all USNH Financial Services Policies and Procedures, and grant requirements as applicable. (3) Resolved. Since the implementation of Workday, Wells Fargo data feeds directly into Workday. Any cards are suspended and deactivated directly in Wells Fargo and then the status is updated in Workday. (4) Resolved. A monthly report is reviewed for any missing receipts and terminated employees. Follow-ups are emailed to the PCard holder and their supervisor. In addition, cards are suspended until receipts are received by the card holder. (5) In Process. USNH management is currently working on the risk acceptance memo. The due date was extended to April 30, 2026. (6) Resolved. the PCard application signature line has been updated and is currently being used by all new applicants. (7) In Process. USNH Procurement is in the optimization stage of using AI to identify transactions that could be purchased through catalog vendors. The due date was extended to June 30, 2026. (8) Resolved. We actively follow up with cardholders that have not submitted receipts over \$25 or have missing reconciliations. Cards are timely suspended until the card holder submits all required receipts. In addition, if there is a lack of responses from the card holder and their supervisor, those card holders are now being reported to the Campus CFO to request assistance in obtaining the support. If there is still a lack of PCard reconciliations, these cases are review by the CPO to decide if further escalation to HR and Legal will be required. (9) Resolved. A monthly report is reviewed for any missing receipts and terminated employees. Follow-ups are emailed to the PCard holder and their supervisor. In addition, cards are suspended until receipts are received by the card holder. (10) & (11) In Process. Changes to the P-Card Policy have been drafted and are currently with FINEC for review and approval. The due date has been extended to June 30, 2026. (12) Resolved. Currently the T&E supervisor and Senior T&E staff are primarily reviewing expense reports in Workday to ensure adequate reviews are conducted. This means that senior well trained staff working solely within T&E are responsible for this effort. In addition, all T&E reviewers, T&E supervisors, and Senior T&E staff use a checklist to perform their reviews. (13) In Process: We are not aware of a way to upload Level 3 data within Workday. The due date was extended to July 30, 2026. (14) Resolved: UNH STAR reviewed the identified transaction and confirmed the allowability and allocability of the transactions. (15) Resolved: As a result of the audit, SPA conducted a training session on travel including foreign travel and the need to seek preapproval prior to foreign travel. Workday does have a pre-approval function that is now being utilized.</p>					
35	2025	USNH	Network Security	Enhance Configuration Controls	<p>1) ET&S Networking will improve configuration management by implementing the following: I. Establish and enforce standardized baseline configurations based on CIS Level 1 benchmarks and vendor-recommended best practices for all network devices (firewalls, routers, switches, VPN) and audit via Tenable. We will then establish a process to alert and remediate any configuration drift. II. Disable outdated protocols and unnecessary services, and enable secure protocols audit via Tenable. III. Deploy 802.1X enterprise wide with the Aruba CX switch rollout using the existing PSU configuration as the standard. IV. Existing certificate lifecycle management process alerts as certificates approach expiration to ensure timely renewal and replacement. V. Replace/rename local default administrative usernames but keep for local break glass. VI. Changes to enhance VLAN segmentation are already in progress. VII. HA monitoring is accomplished via logs and email alerts. VIII. Implement quarterly device configuration reviews, including compliance checks against baseline configurations. These will be completed by December 31, 2025. Network segmentation is a strategic roadmap initiative that will be prioritized and addressed as soon as the next available resources are allocated. Responsible Party: Director, Networking Operations, USNH</p> <p>2) Will work with CAB governance to document standard changes. In conjunction with the business contact for individual rules conduct a retrospective rule audit to identify and remove redundant, outdated, or overly permissive rules. Integrate automated rule analysis tools, where feasible, to assist with validation against security policies. This will be completed by March 31, 2026. Responsible Party: Director, Networking Operations, USNH</p> <p>3) We will review exceptions and disabled or formally submitted for exception identified in the audit. We will perform a full physical port audit across all sites to validate access control enforcement. Existing edge-based controls are currently being replaced with a standard recognized network segmentation model to simplify review. This will be completed by September 30, 2025. Responsible Party: Director, Networking Operations, USNH</p> <p>4) Implementation of endpoint posture validation is in process using available tools. Coordination with the VPN vendor is in process to patch or mitigate the IPv6 tunneling bug and deploy updated client software. This will be completed by December 31, 2025. Responsible Party: CISO & Director, Networking Operations, USNH</p> <p>5) We acknowledge the risk and have prioritized this as part of our web security roadmap. Actions include: I. Request Long Range Technology Plan funding to procure and deploy a cloud-based or hybrid Web Application Firewall (WAF) solution to protect both internal and external web applications. II. When funding is secured conduct an application risk assessment to prioritize high-value targets for WAF enforcement. III. For immediate action we have registered the risk to the risk register, and we will work with CISO for formally the risk acceptance by September 30, 2025. Implementation of WAF is dependent of availability of funding. Responsible Party: CISO & Director, Networking Operations, USNH</p>	Mar-26	Sep-26	■	In Process 1/26
<p>MGT. EXPLANATION & RESOLUTION PLAN @ 01/21/2026: 1) - 5) In Process. The Networking Operations team's in process work remains delayed due to limited staffing and competing priorities. The due date has been extended to September 30, 2026.</p>									

OUTSTANDING AUDIT ISSUES MONITORING MATRIX as of 03/10/2026

#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
36	2025	USNH	Network Security	Improve Access Controls	<p>1) We will implement the following measures to strengthen privileged access and credential management: I. Minimize usage of generic local admin accounts across routers, switches, and other network devices to break glass events. Develop approval process for break glass account usage and password storage. II. Centralized authentication for network devices using RADIUS/TACACS+ or SAML/MFA is already standard practice and logged. Log review documentation will be enhanced as per vendor/industry's best practices. III. All management of network devices will be accomplished on enterprise managed machines. IV. Beyond Trust implementation is in process to enhance monitoring of access activity. V. Continue to monitor devices for any advancements that do not currently support Multi-Factor Authentication (MFA). VI. Align secure password management practices with enterprise solution and policy. Implement audit logging and session monitoring for all administrative access via Beyond Trust to ensure accountability and support incident response and investigations. Central authentication and MFA enforced on priority devices is complete. Alerting, investigation, and documentation of shared account usage will be completed by December 31, 2025. Responsible Party: Network Development & Security Program Manager, USNH</p> <p>2) We will formalize annual review of access for all critical network devices and systems, including: I. Validation of current users and roles. II. Identification and removal of orphaned or excessive access rights. III. Review of dormant or unused accounts. IV. Track and report review completion status to IT leadership as part of security metrics and compliance dashboards. This will be completed by December 31, 2025 Responsible Party: Director, Networking Operations, USNH</p>	Dec-25	Sep-26	■	In Process 1/26
MGT. EXPLANATION & RESOLUTION PLAN @ 01/21/2026: (1) - (2) In Process. The Networking Operations team's in process work remains delayed due to limited staffing and competing priorities. The due date has been extended to September 30, 2026.									
37	2025	USNH	Sponsored Accounts Audit	Strengthen Governance, Standards and Policies	<p>The Sponsored User Standard is currently up for review and revision. In the updated standard, ET&S will address the following:</p> <p>1)The Sponsored User Standard is currently up for review and revision. In the updated standard we will: I. Document the current birthright access privilege of minimal access. II. Document the process of adding access privileges to an account will be clearly outlined. III. Document clear roles and responsibilities of all parties involved (including approver and sponsor) in the Sponsored Account Lifecycle which will include all positions involved in the sponsored user lifecycle. IV. IAM team will create a process to periodically audit approvers to ensure eligibility. V. Update the standard to accurately reflect the CISO's role. VI. Document required elements for business justification in the Sponsored Account Standard including purpose and relevance of access, define the scope (systems or type of data requested), and confirm role alignment. VII. We will document and enforce clear timelines requiring sponsors to notify us whenever sponsored user's access is no longer required before the predefined end date. In addition, we will update the standard to define account deactivation procedures for situations where the sponsoring employee leaves USNH. When a sponsoring employee departs, all sponsored accounts must be closed within 48 hours unless the sponsored user designates another sponsoring employee.</p> <p>2) The Director of Cybersecurity Operations will present to the Cybersecurity Committee a proposal that System Office and ET&S leadership collectively review vendor access and implement additional controls, addressing both physical access and access to information systems.</p> <p>3) Director, Cybersecurity Operations will present to HREC and the Cybersecurity Committee a plan to develop and update standards for the validation and verification of sponsored users who require access to sensitive data or administrative systems. The expected level of security will be extended to third-party contracts and must be validated prior to account creation requests. In addition, Further, we will document the updated requirements and will formally notify Procurement so that these security requirements are incorporated into contracts and related processes.</p> <p>Responsible Party: Director, Cybersecurity Operations, USNH Expected Completion Date: June 30, 2026</p>	Jun-26	Jun-26	■	In Process 3/26
MGT. EXPLANATION & RESOLUTION PLAN @ 03/10/2026: NEW									

OUTSTANDING AUDIT ISSUES MONITORING MATRIX as of 03/10/2026

#	Originally Reported	Entity	Audit	Risk/Control Issue	Action Plan & Responsible Party	Original Target Date	Revised Target Date	Status	
38	2025	USNH	Sponsored Accounts Audit	Enhance Access Controls and Approval Oversight	1) ET&S IAM team will review TDX approval work flows to ensure configurations to enforce segregation of duties and ensure alignment with the documented approvers in the updated standard. 2) CISO will review, on a regular basis, all accounts that have access to sensitive data and areas. However, the sponsor has the ultimate responsibility for the people they sponsor and the actions they take. Sponsors need to review and audit access and activity 3) Director, Cybersecurity Operations will present to USNH Cybersecurity Committee a proposal for a standardized approval process that validates sponsored users' identity and prior employment history. 4) ET&S will develop a business case and present it to the Presidents Council to establish clear guidelines on who is authorized to sponsor a user and approve the access request. The proposed business case will recommend that a director or higher-level approvers, with direct knowledge of sponsored user's responsibilities, should approve such requests. This approach will prevent approvals by individuals or delegates who lack direct insight into the sponsored user activity. 5) ET&S will present a proposal to the HREC & Cybersecurity Committee to define an approval process that validates sponsored users, identity, prior employment, and criminal status. 6) ET&S will work with Cybersecurity Committee to establish a definition of what constitutes sensitive data and update the standard accordingly. In addition, ET&S will work with the systems office to examine & develop a data classification program that defines data types and protections for the various data types and controls they want to place on access from sponsored users. Responsible Party: Director, Cybersecurity Operations, USNH and System Administration Team Lead, USNH Expected Completion Date: June 30, 2026	Jun-26	Jun-26	■	In Process 3/26
MGT. EXPLANATION & RESOLUTION PLAN @ 03/10/2026: NEW									



Informational Items

UNIVERSITY SYSTEM OF NEW HAMPSHIRE

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
(UNDER UNIFORM GUIDANCE)**

YEAR ENDED JUNE 30, 2025

DRAFT

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
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YEAR ENDED JUNE 30, 2025**

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INDEPENDENT AUDITORS' REPORT

The Governor and Legislative Fiscal
Committee, State of New Hampshire,
and The Board of Trustees
University System of New Hampshire

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the University System of New Hampshire (the System), a component unit of the state of New Hampshire, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the System, as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the System board listing but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2025 on our consideration of University System of New Hampshire's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of University System of New Hampshire's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University System of New Hampshire's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Quincy, Massachusetts
October 23, 2025

Management's Discussion and Analysis

June 30, 2025 and 2024 (Unaudited)

I. Introduction and Overview

The following Management's Discussion and Analysis summarizes the financial condition and results of activities of the University System of New Hampshire (USNH) for the fiscal years ended June 30, 2025 and 2024. This analysis provides a comparison of significant amounts and measures to prior periods and presents currently known material facts, decisions or conditions that will impact the future.

USNH is a Section 501(c)(3) corporation organized under the laws of the State of New Hampshire to serve the people of the State as the key provider of public higher education for bachelor's and advanced degree students. USNH accomplishes its mission by operating three educational institutions that collectively offer a broad array of education, research, and public services for the State. These institutions include the University of New Hampshire, which now includes Granite State College (UNH), Plymouth State University (PSU), and Keene State College (KSC). In July 2021, the USNH Board of Trustees voted to establish a single merged college between UNH-Manchester and Granite State College. Effective July 1, 2023, the merged entity became a college within UNH named the College of Professional Studies (CPS). Accordingly, the activities and balances of Granite State College were merged with those of UNH.

While select programs are active in other regions as well as abroad, most of USNH's activities take place at the three residential campuses (UNH Durham or UNHD, PSU, and KSC), CPS and UNH Franklin Pierce School of Law (UNHL), and the UNH Cooperative Extension and Small Business Development Centers located throughout the State. The accompanying financial statements also include the activities and balances of the University of New Hampshire Foundation, Inc. (UNHF) and the Keene Endowment Association (KEA), two legally separate but affiliated entities. (See Note 1 to the Financial Statements for additional information on affiliated entities).

II. Financial Highlights

A. Revenues

Chart 1 illustrates USNH's revenue streams, including those classified as nonoperating revenues in accordance with GASB standards, which totaled over \$1 billion for fiscal year 2025. This total is consistent with the revenue streams of the last five fiscal years. Given our tri-fold mission of instruction, research, and public service, the vast majority of USNH revenues are generated by providing educational and auxiliary services. Total gross revenues were relatively flat from fiscal year 2024 to fiscal year 2025. As part of implementing a new Enterprise Resource Planning System for Finance, certain prior year amounts have been reclassified to conform to the current year's presentation. This includes the transfer of \$46 million in mandatory student fees, which support auxiliary services, from the sale of auxiliary services revenue category line to the student fees revenue category line on Statements of Revenues, Expenses, and Changes in Net Position. The most significant individual revenue stream increases were in noncapital gifts and endowment distributions revenue, which increased by 10.3% (\$6 million), mainly due to \$2.8 million bequest. Operating investment income and other revenue decreased by 14.5% (\$8 million), primarily due to a shift of approximately \$4 million of contracts from fee-for-service contracts (other revenues) to industry-sponsored contracts (grants & contracts revenues) related to the Institute of Disability programs, and a decrease in operating investment income revenue resulting from a reduction in the average rate of return and the average short-term investment balances.

Chart 1: 2025 Gross Revenues by Source

Total = \$1+ Billion

(\$ in millions)

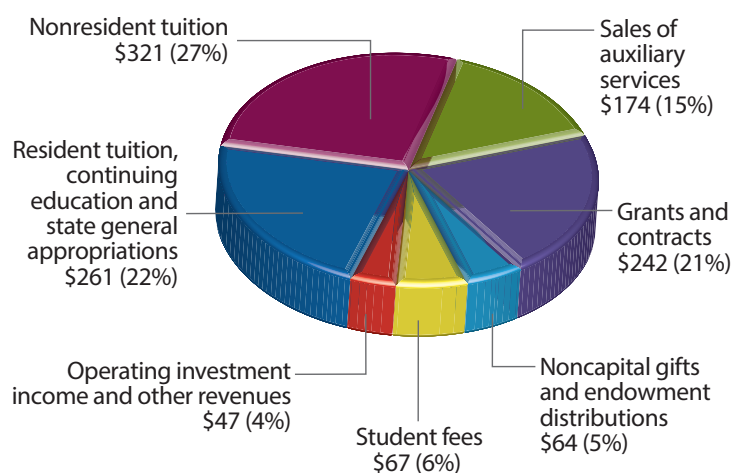
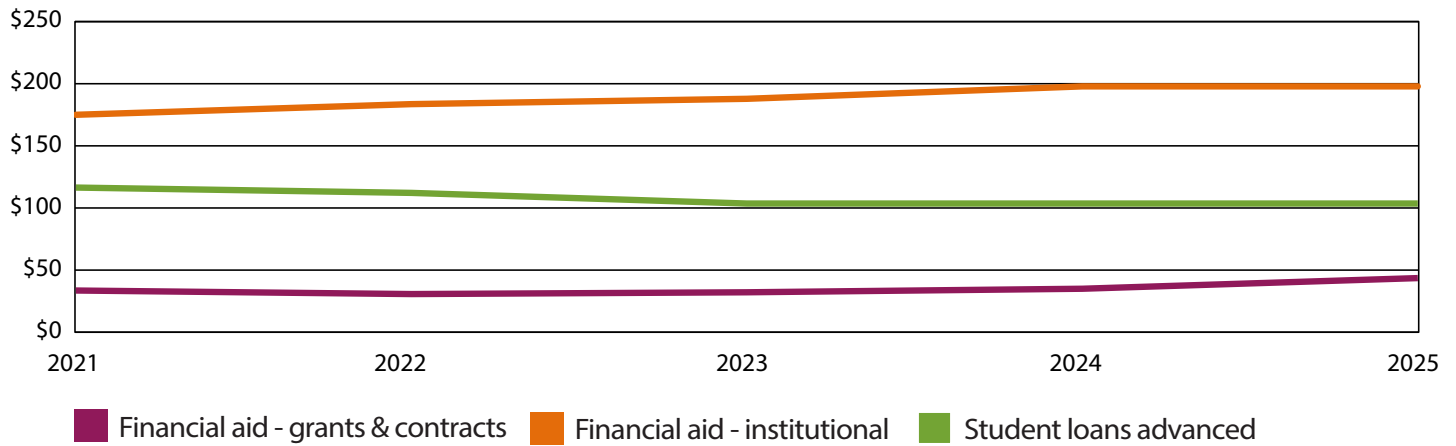


Chart 2: Student Aid Trends

(\$ in millions)



As shown in Chart 2, institutional financial aid expenditures continue to surpass aid provided by student loans issued. USNH has provided \$1.1 billion in direct institutional financial aid to students over the past five years. Approximately \$941 million (84%) of the direct institutional aid was provided by campus general funds, gifts, and athletic programs, and the remaining \$174 million (16%) was from grants. USNH continues to focus on the affordability of its offerings.

As seen in Table 1, full-time equivalent (FTE) student enrollment has declined by 8.1% since fiscal year 2021 for all institutions combined primarily due to the competitive and declining market in New England where approximately 90% of USNH students reside. UNH's strategic priorities are to be among the nation's top public universities in the measures of academic performance with a focus on enhancing student success and wellbeing and

expanding academic and research excellence. UNH is entering year 2 of its 5-year Strategic Enrollment Management plan, designed to supplement existing pipelines with new opportunities. Efforts were undertaken in several areas, including transfer enrollment and reenrolling students who left UNH without a degree.

PSU continues to pursue its strategic priorities that promote student success through the visionary Cluster Learning model. KSC's programs in teacher education, safety studies, and liberal arts continue to be consistently recognized by US News and World Report.

As evidenced by the financial aid growth shown in Chart 2, USNH is committed to ensuring that New Hampshire's students have access to quality education at an affordable price.

Table 1: Full-Time Equivalent Credit Enrollment

For the Fall of Each Fiscal Year

	2021	2022	2023	2024	2025
UNH (all campuses)	16,202	15,735	15,422	15,234	15,291
PSU	4,260	4,086	3,717	3,712	3,577
KSC	<u>3,111</u>	<u>3,003</u>	<u>2,777</u>	<u>2,773</u>	<u>2,786</u>
Total USNH FTEs	<u>23,573</u>	<u>22,824</u>	<u>21,916</u>	<u>21,719</u>	<u>21,654</u>
NH Resident	12,067	11,469	10,683	10,570	10,849
Nonresident	<u>11,506</u>	<u>11,355</u>	<u>11,233</u>	<u>11,149</u>	<u>10,805</u>
Total USNH FTEs	<u>23,573</u>	<u>22,824</u>	<u>21,916</u>	<u>21,719</u>	<u>21,654</u>

Table 2: Freshmen Applications, Acceptances and Enrollees at UNH Durham*

For the Fall of Each Fiscal Year

	2021	2022	2023	2024	2025
Freshmen applications received	18,797	20,150	21,016	20,887	21,175
Acceptances as % of applications	85%	87%	87%	87%	88%
Enrolled as % of acceptances	16%	16%	16%	14%	14%

* Comparable data for other campuses is available upon request.

The USNH Board of Trustees approved a tuition freeze for undergraduate resident tuition in fiscal years 2021 through 2025, holding rates flat at the fiscal year 2020 level for NH students. As high school enrollment levels in the State of New Hampshire have declined over the past decade and a half, USNH has seen a corresponding decline in in-state enrollment of 10% over the past five years. Regional school-age populations are expected to decrease over time, resulting in more competition for the smaller number of New Hampshire and New England students.

Chart 3 shows USNH's major revenue stream trends for the past five years. As shown in the graph, USNH experienced a reduction in total resident tuition from fiscal year 2021 through 2025 as a result of declining enrollment, while undergraduate tuition rates were held flat during this period. Nonresident tuition increased slightly during this period, despite declining enrollment, as a result of tuition rate increases for this population. During fiscal year 2025, state general appropriations increased 6.7% from fiscal year 2021 to 2025. Additionally, in fiscal year 2024, USNH received a \$6 million State appropriation for the renovation of the Whittemore Center, a project anticipated to be completed in the next couple of years.

B. Expenses

USNH's expenses (including expenses classified as nonoperating under GASB standards) remained relatively flat from fiscal year 2024 to fiscal year 2025, decreasing by \$2.5 million, or 0.3%, compared to fiscal year 2024. Grant and contract related employee compensation and supplies and services decreased \$12.2 million (7.3%) as a result of a reduction in grant-related activities in fiscal year 2025. Excluding grant and contract expenses, all other expenses increased by \$9.8 million (1.3%). Although USNH has been focused on containing costs through increased shared services, academic restructuring, facilities restructuring, and downsizing operations, employee compensation increased primarily related to an increase in medical claims in fiscal year 2025.

Chart 3: Five Year Revenue History

Before Application of Student Financial Aid
(\$ in millions)

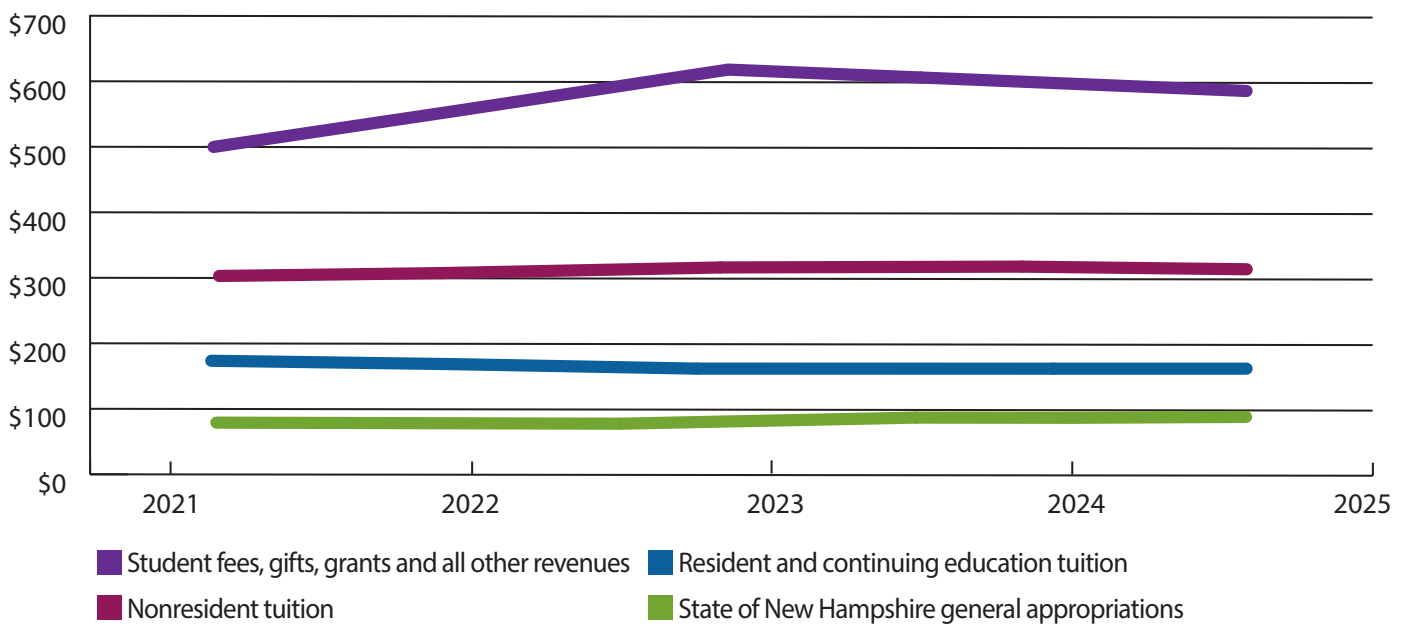


Chart 4: Expenses by Functional Classifications

(\$ in millions)

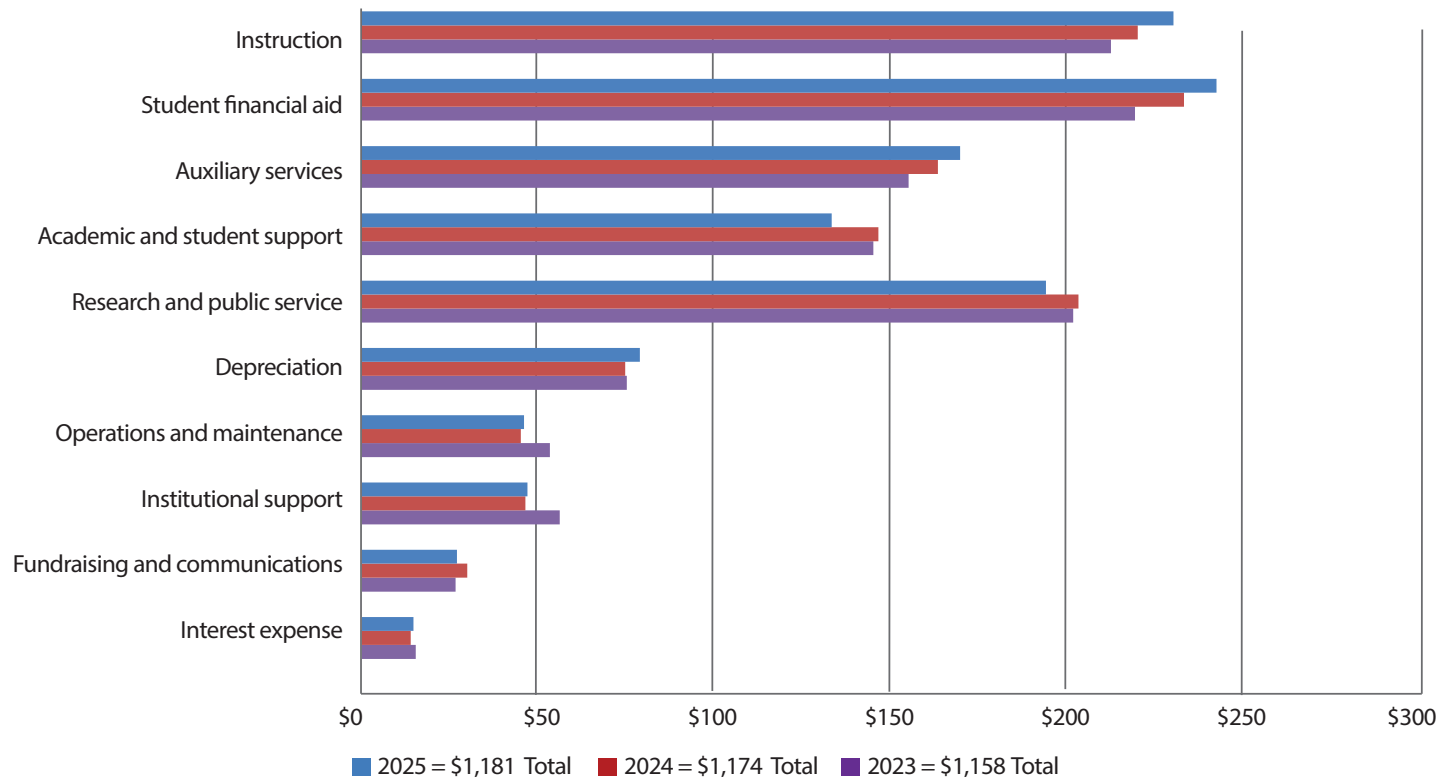


Chart 4 displays USNH's expenses for the past three fiscal years, categorized by function rather than natural classification. Instructional expenses increased due to faculty compensation and fringe benefit costs. Student financial aid continued to increase as noted above. Auxiliary services expenses increased \$6.3 million over the prior year due to an increase in students living on campus, resulting in higher dining and residential operating activities. USNH implemented Workday Finance as its new Enterprise Resource Planning System as of January 1, 2025. As a result of the implementation, some expenses in fiscal year 2025 may now be presented in a different functional category as Workday Finance provides enhanced transaction-level tracking of functional expenses compared to the prior year's methodology. Although in total the functional results are comparable, variances can be noted within certain categories, such as when Research and Public Services or Academic and Student Services are reported separately, as seen in Note 13.

C. Capital Spending

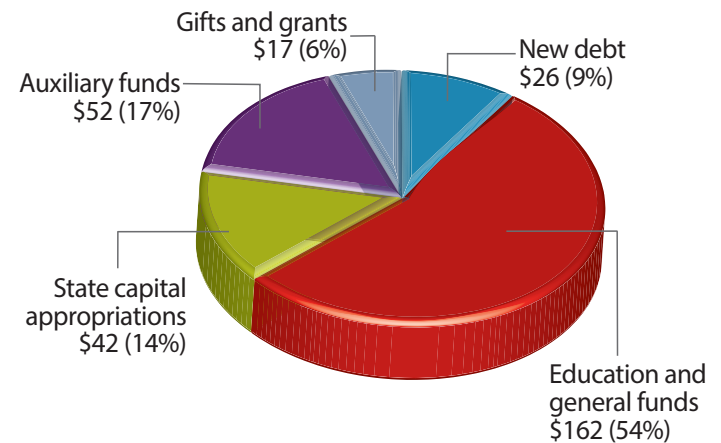
The campuses had several major capital projects under construction in fiscal year 2025. These projects, included the UNH Biological Sciences Project Phase II (\$42.8M), PSU Hyde Hall (\$30.5M), UNH Hetzel Hall (\$28.4M), UNH West Stadium (\$25.6M), and UNH Honors College (\$24.3M).

Capital funding decreased by \$5.5 million (10.3%) in fiscal year 2025 compared to fiscal year 2024, due to a strategic reduction in capital spending. Due to limited resources, many buildings on each campus still require improvement. USNH campuses continue to strategically prioritize the available limited funding for capital assets, while considering a reduction in the overall footprint and infrastructure needed to support the anticipated lower future enrollment level. During fiscal year 2024, USNH was engaged in updated master planning processes to plan for the future. Debt service for each type of auxiliary service (housing, dining, or recreation) is funded by student fees paid for such services.

Chart 5 shows the funding sources for USNH's capital spending over the past five years. USNH spent \$299 million during this time to construct and renovate buildings and infrastructure at all campuses. General funds of \$162 million were the largest source of funding for capital projects, followed by auxiliary funds of \$52 million, State appropriations of \$42 million, new debt of \$26 million, and gifts and grants of \$17M. Depreciation and amortization expenses of \$372 million were recorded during the same period, which include lease and subscription amortization totaling \$32 million. (See Notes 5 and 8 to the Financial Statements for additional information on capital assets and debt balances).

Chart 5: Capital Funding Sources, 2021-2025

(\$ in millions)



D. Investing Activities

Cash and short-term investment balances totaled approximately \$172 million and \$207 million on June 30, 2025 and June 30, 2024, respectively. (See Note 2 to the Financial Statements for additional information on cash, cash equivalents and short-term investments). USNH's long-term investments consist of permanent endowment and quasi-endowment funds. Permanent endowments are those funds received from donors intended to be invested in perpetuity. Quasi-endowments consist of select large, current-use gifts, and unrestricted balances held centrally that have been approved by the Board to be allocated for long-term investment purposes. These amounts are invested in one of three venues, depending on whether the donor contributed to a campus, the UNH Foundation (UNHF), or the Keene Endowment Association (KEA). The investment pools are managed to provide the highest rate of return over the long term given an acceptable level of risk as determined by the responsible fiduciaries. The USNH Consolidated Endowment Pool holds funds for the benefit of all campuses. The UNHF endowment pool holds funds for the benefit of UNH only, and the KEA pool holds funds for the benefit of KSC only. The USNH Board of Trustees has fiduciary responsibility for the USNH Pool, whereas the separate boards of UNHF and KEA have their own investment policies and are responsible for those investments. Table 3 is a summary of USNH's endowment and similar investment values for the past three years.

Table 3: Endowment and Similar Investments Market Value Summary

(\$ in millions)

	As of June 30,		
	2025	2024	2023
USNH Pool	\$ 669	\$623	\$579
UNHF Pool	347	317	289
KEA Pool	26	22	20
Funds held in trust	21	20	18
Life Income/Annuity Funds	<u>7</u>	<u>6</u>	<u>6</u>
	<u>\$1,070</u>	<u>\$988</u>	<u>\$912</u>

While the two larger pools are primarily invested in funds, the KEA pool is heavily invested in individual stock and bond investments. As shown in Table 4, the KEA pool net gains over the past three years averaged 10.7% and the USNH and UNHF pools averaged 10.6% and 10.8%, respectively, before distributions. The returns of all three pools benefited from positive investment returns since 2023.

Distributions from the endowment and trust funds totaled approximately \$44 million in fiscal year 2025 and \$41 million in 2024. Distributions of approximately \$28 million were made from the USNH pool and trusts, along with \$15 million from the UNHF pool and \$873,000 from the KEA pool. Distributions represent a smaller percentage of the USNH pool because USNH holds several quasi-endowment funds held for the future that do not all payout at the approved rates. The net positive returns for fiscal year 2025 and 2024 resulted in a decrease in endowment funds having market values less than the original gift value ("underwater funds"). Of the 1,711 endowment funds maintained in the various endowment pools, three remained underwater at June 30, 2025. This compares to 24 underwater endowment funds at June 30, 2024. The \$1.9 million underwater balance is primarily due to one quasi-endowment that is \$1.7 million underwater due to a donor's wish to increase payout to fund an initiative significantly. (See Notes 4 and 12 for further information on endowment and similar investments).

Table 4: Pooled Endowment Returns

	Year - Ended June 30,			
	2025	2024	2023	Three Year Average
USNH Pool				
Gross return	11.8%	12.8%	9.0%	11.2%
<i>Investment management fees</i>	<u>(0.6%)</u>	<u>(0.6%)</u>	<u>(0.6%)</u>	<u>(0.6%)</u>
Net return	11.2%	12.2%	8.4%	10.6%
<i>Distributions</i>	<u>(4.5%)</u>	<u>(4.5%)</u>	<u>(4.5%)</u>	<u>(4.5%)</u>
Net reinvested	<u>6.7%</u>	<u>7.7%</u>	<u>3.9%</u>	<u>6.1%</u>
UNHF Pool				
Gross return	12.8%	13.5%	8.6%	11.6%
<i>Investment management fees</i>	<u>(0.9%)</u>	<u>(0.9%)</u>	<u>(0.6%)</u>	<u>(0.8%)</u>
Net return	11.9%	12.6%	8.0%	10.8%
<i>Distributions</i>	<u>(4.9%)</u>	<u>(4.8%)</u>	<u>(5.6%)</u>	<u>(5.1%)</u>
Net reinvested	<u>7.0%</u>	<u>7.8%</u>	<u>2.4%</u>	<u>5.7%</u>
KEA Pool				
Gross return	9.9%	12.6%	11.4%	11.3%
<i>Investment management fees</i>	<u>(0.6%)</u>	<u>(0.6%)</u>	<u>(0.7%)</u>	<u>(0.6%)</u>
Net return	9.3%	12.0%	10.7%	10.7%
<i>Distributions</i>	<u>(4.0%)</u>	<u>(3.9%)</u>	<u>(5.0%)</u>	<u>(4.3%)</u>
Net reinvested	<u>5.3%</u>	<u>8.1%</u>	<u>5.7%</u>	<u>6.4%</u>

III. Using the Financial Statements

A. Statements of Net Position

The Statements of Net Position depict all USNH assets, liabilities, and deferred inflows/outflows of resources on June 30 each year, along with the resulting net financial position. An increase in net position over time is a primary indicator of an institution's financial health. Factors contributing to future financial health as reported on the Statements of Net Position include the value and liquidity of financial and capital investments, and balances of related obligations.

Table 5 shows condensed information from the Statements of Net Position at June 30 for the past five years. Note that we have also included certain condensed information as of June 30, 2025 by campus herein as required by regional accreditation agencies.

Table 5: Condensed Information from the Statements of Net Position as of June 30,
(\$ in millions)

	2021 ¹	2022	2023 ²	2024	2025
Cash and short-term investments	\$ 216	\$ 255	\$ 227	\$ 207	\$ 172
Endowment and similar investments	1,001	862	912	988	1,070
Capital assets, net	1,144	1,119	1,160	1,205	1,233
Other assets and deferred outflows of resources	<u>113</u>	<u>112</u>	<u>128</u>	<u>112</u>	<u>91</u>
Total Assets and Deferred Outflows of Resources	<u>2,474</u>	<u>2,348</u>	<u>2,427</u>	<u>2,512</u>	<u>2,566</u>
Derivative instruments - interest rate swaps	22	11	–	–	–
Postretirement medical benefits	86	78	66	65	59
Long-term debt	412	381	380	362	343
Other liabilities and deferred inflows of resources	<u>296</u>	<u>257</u>	<u>277</u>	<u>273</u>	<u>270</u>
Total Liabilities and Deferred Inflows of Resources	<u>816</u>	<u>727</u>	<u>723</u>	<u>700</u>	<u>672</u>
Net investment in capital assets	722	723	744	799	789
Restricted financial resources	606	591	623	670	733
Unrestricted financial resources	<u>330</u>	<u>307</u>	<u>337</u>	<u>343</u>	<u>372</u>
Total Net Position	<u>\$1,658</u>	<u>\$1,621</u>	<u>\$1,704</u>	<u>\$1,812</u>	<u>\$1,894</u>

¹ Certain balances restated to reflect the adoption of GASB 87 related to leases.

² Beginning balances were restated to reflect adoption of GASB 96 related to subscriptions.

As shown above, cash and short-term investment balances decreased by \$44 million (20.4%) over the past five years. The endowment gains had a large increase in fiscal year 2021, a significant decrease in 2022 with returns rebounding in 2023, 2024 and 2025. However, the overall net gain was \$69 million (6.9%) since fiscal year 2021. Capital assets, net, have increased annually since fiscal year 2022 because of capital investments in both academic and residential building projects as well as technology projects.

Deferred inflows and outflows of resources include accounting gains and losses related to refinancing certain bonds outstanding, impacts of changes in actuarial assumptions, differences between projected and actual earnings and experience, benefit payments made after the measurement dates of USNH benefit plans, asset retirement obligations, and lease receivable plus any payments received for future periods.

In fiscal year 2025, USNH completed a roll forward of the 2024 biennial actuarial valuation according to the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, for our postretirement medical obligations. The result was a decrease of \$2.4 million in deferred outflows of resources, due to a change of assumptions such as discount rate used and updates to mortality assumption tables, offset by amortization.

USNH has large liabilities related to long-term debt, postretirement medical benefits, one-time separation incentives programs, and lease liabilities. Bond and lease principal payments ranged from \$24 million to \$13 million for fiscal years 2021 through 2025. The postretirement obligations represent the actuarially determined value of medical benefits provided to certain current and former employees for various periods, including the remaining life of the participants in some cases. (See Notes 6 and 7 to the Financial Statements for additional information in this regard). The other liabilities balance above includes accounts payable, accrued employee benefits, government advances refundable under the Perkins Loan Program, Long-term leases and unearned revenue. The decrease in long-term debt is due to \$19 million in principal payments made and amortization of the bond premium in fiscal year 2025.

Net position is reported in three categories. The net invested in capital assets amount represents the historical cost of property and equipment reduced by total accumulated depreciation and the balance of related debt outstanding for certain auxiliary buildings. Restricted financial resources include balances of current and prior year gifts for specified purposes such as scholarships or academic programs, as well as campus endowment balances which were required to be invested in perpetuity by the original donors (\$369 million and \$352 million at June 30, 2025 and 2024, respectively). Unrestricted financial resources represent net assets that are available for any future use without legal restriction. (See Note 14 to the Financial Statements for further details on the components of net position). A breakdown of asset, liability, and net position balances by campus as of June 30, 2025 is shown in Table 5A.

Table 5A: Condensed Information from the Statement of Net Position as of June 30, 2025 Presented by Campus

(\$ in millions)

	University of New Hampshire Campuses & Foundation	Plymouth State University	Keene State College & Endowment Association	System-wide Office	Total University System of New Hampshire
Cash and short-term investments	\$ 288	\$ 43	\$ 14	\$(173)	\$ 172
Endowment and similar investments	584	45	69	372	1,070
Capital assets, net	823	194	157	59	1,233
Other assets and deferred outflows of resources	<u>63</u>	<u>3</u>	<u>7</u>	<u>18</u>	<u>91</u>
Total Assets and Deferred Outflows of Resources	<u>1,758</u>	<u>285</u>	<u>247</u>	<u>276</u>	<u>2,566</u>
Postretirement medical benefits	43	8	7	1	59
Long-term debt	149	75	70	49	343
Other liabilities and deferred inflows of resources	<u>149</u>	<u>18</u>	<u>17</u>	<u>86</u>	<u>270</u>
Total Liabilities and Deferred Inflows of Resources	<u>341</u>	<u>101</u>	<u>94</u>	<u>136</u>	<u>672</u>
Net investment in capital assets	615	104	81	(11)	789
Restricted financial resources	616	42	73	2	733
Unrestricted financial resources	<u>186</u>	<u>38</u>	<u>(1)</u>	<u>149</u>	<u>372</u>
Total Net Position	<u>\$1,417</u>	<u>\$184</u>	<u>\$153</u>	<u>\$ 140</u>	<u>\$1,894</u>

B. Statements of Revenues, Expenses and Changes in Net Position

This statement reports total operating revenues, operating expenses, other revenues and expenses, and other changes in net position, as prescribed and defined by the Governmental Accounting Standards Board (GASB). There are three major components which management considers separately when analyzing the increase (decrease) in total net position: increase (decrease) in Net Position Before Other Changes (also referred to as operating margin); capital appropriations and other plant changes; and endowment gifts and net returns. The increase (decrease) in Net Position Before Other Changes is further broken down into operating and nonoperating as prescribed by GASB reporting standards which require that certain USNH recurring revenues be shown as nonoperating. This includes state general appropriations, federal Pell grants, noncapital gifts, operating investment income, the portion of endowment returns used to fund related programs, and other revenue sources defined as nonoperating revenues by GASB. These revenue streams are important sources of funds used to supplement tuition and fees revenue. Accordingly, operating and nonoperating revenue and expense, together, constitute the indicator of recurring revenues and expenses for USNH.

Table 6 shows condensed information from the Statements of Revenues, Expenses and Changes in Net Position for the five years ended June 30, 2025.

The net tuition and fees revenue in these statements reflects revenue earned from enrolled students for academic programs, classes, and related fee-based services. Auxiliary services revenues reflect self-supporting activities which provide non-instructional support in the form of goods and services to students, faculty, and staff upon payment of a specific user charge or fee. These services include housing, dining, Division I athletics, health, recreation, transportation, student union and other programs. Grants and contracts revenues reflect amounts reimbursed by USNH sponsors including the US government, State of New Hampshire, and other entities. These revenues may also come from awards to other institutions that are later contracted out to USNH campuses.

Net tuition and fees decreased primarily because of lower undergraduate enrollment and higher student financial need. Student financial aid has increased

\$35 million (16.8%) over the past five years. Operating grants and contracts decreased due to a decrease in grants awarded to UNH from the US government, the State of New Hampshire, and other entities.

Supplies and services decreased by \$24 million (9.1%) primarily due to a decrease in grants, supplies, and services resulting from a reduction in subcontract expenses.

Endowment gifts totaled \$16 million in fiscal year 2025 and \$10 million in fiscal year 2024. The investment return after distributions resulted in gains of \$65 million in fiscal years 2025 and 2024. The increase (decrease) in net position before other changes reflect USNH's operating margin each year. USNH's operating margin for fiscal year 2025 was (\$7 million) and \$12 million for fiscal year 2024. This is due to student financial aid increase of \$9 million while tuition stayed flat compared to fiscal year 2024 as well as increase in medical claims (\$12 million) during fiscal year 2025.

Table 6: Condensed Information from the Statements of Revenues, Expenses and Changes in Net Position for the Years Ended June 30,

(\$ in millions)

	2021	2022	2023	2024	2025
OPERATING REVENUES					
Tuition and fees	\$508	\$505	\$503	\$555	\$555
Less: student financial aid	(207)	(214)	(219)	(233)	(242)
Net tuition and fees	301	291	284	322	313
Grants and contracts	144	192	210	222	210
Sales of auxiliary services	162	193	210	174	175
Other operating revenue	26	31	41	39	34
Total Operating Revenues	633	707	745	757	732
OPERATING EXPENSES					
Employee compensation	578	508	550	568	583
Supplies and services	230	270	275	263	239
Utilities, depreciation and amortization	88	90	99	97	103
Total Operating Expenses	896	868	924	928	925
<i>Operating loss</i>	<i>(263)</i>	<i>(161)</i>	<i>(179)</i>	<i>(171)</i>	<i>(193)</i>
NONOPERATING REVENUES (EXPENSES)					
State of New Hampshire general appropriations	89	89	89	98	95
Other nonoperating grant revenue	83	70	69	25	29
Noncapital gifts, investment income and other revenues	62	48	66	74	77
Interest expense, net	(17)	(15)	(15)	(14)	(15)
Total Nonoperating Revenues (Expenses)	217	192	209	183	186
Increase (Decrease) in Net Position Before Other Changes	(46)	31	30	12	(7)
OTHER CHANGES IN NET POSITION					
Endowment gifts and returns, net	197	(90)	49	75	81
State capital appropriations and other changes	9	22	4	21	8
Total Other Changes in Net Position	206	(68)	53	96	89
Total Increase (Decrease) in Net Position	\$160	\$ (37)	\$ 83	\$108	\$ 82

Table 6A provides condensed information from the Statements of Revenues, Expenses and Changes in Net Position presented by campus for the year ended June 30, 2025.

Table 6A: Condensed Information from the Statement of Revenues, Expenses and Changes in Net Position for the Year Ended June 30, 2025 Presented by Campus

(\$ in millions)

	University of New Hampshire Campuses & Foundation	Plymouth State University	Keene State College & Endowment Association	System-wide Office	Total University System of New Hampshire
OPERATING REVENUES					
Tuition and fees	\$428	\$69	\$58	\$ –	\$555
Less: student financial aid	(181)	(33)	(28)	–	(242)
Net tuition and fees	247	36	30	–	313
Grants and contracts	196	5	9	–	210
Sales of auxiliary services	119	30	26	–	175
Other operating revenue	19	2	4	9	34
Total Operating Revenues	581	73	69	9	732
OPERATING EXPENSES					
Employee compensation	432	51	50	50	583
Supplies and services	217	30	31	(39)	239
Utilities, depreciation and amortization	68	16	14	5	103
Total Operating Expenses	717	97	95	16	925
<i>Operating loss</i>	(136)	(24)	(26)	(7)	(193)
NONOPERATING REVENUES (EXPENSES)					
State of New Hampshire general appropriations	66	15	14	–	95
Other nonoperating grant revenue	18	6	5	–	29
Noncapital gifts, investment income and other revenues	60	6	6	5	77
Interest expense, net	(7)	(3)	(3)	(2)	(15)
Total Nonoperating Revenues (Expenses)	137	24	22	3	186
Increase (Decrease) in Net Position Before Other Changes	1	–	(4)	(4)	(7)
OTHER CHANGES IN NET POSITION					
Endowment gifts and returns, net	47	4	7	23	81
State capital appropriations and other changes	(5)	2	8	3	8
Total Other Changes in Net Position	42	6	15	26	89
Total Increase (Decrease) in Net Position	\$ 43	\$ 6	\$ 11	\$ 22	\$ 82

C. Statements of Cash Flows

The Statements of Cash Flows summarize transactions affecting cash and cash equivalents. Table 7 presents a summary of the Statements of Cash Flows for the five years ended June 30, 2025.

Table 7: Condensed Information from the Statements of Cash Flows for the Years Ended June 30,
(\$ in millions)

	2021	2022	2023	2024	2025
Cash flows from:					
Receipts from tuition and fees, net	\$289	\$294	\$286	\$325	\$317
Receipts from sales of auxiliary services	164	193	210	174	174
Receipt of state general appropriations	89	89	89	98	95
Noncapital gifts, grants and other receipts	282	300	331	308	294
Payments to and on behalf of employees	(533)	(552)	(580)	(570)	(590)
Payments for supplies, services and utilities	<u>(248)</u>	<u>(290)</u>	<u>(296)</u>	<u>(292)</u>	<u>(268)</u>
Net cash provided by operating and noncapital financing activities	43	34	40	43	22
Net cash used in capital financing activities	(80)	(55)	(67)	(124)	(113)
Net cash (used in)/provided by investing activities	<u>57</u>	<u>46</u>	<u>(1)</u>	<u>51</u>	<u>68</u>
Increase/(decrease) in cash and cash equivalents	<u>\$ 20</u>	<u>\$ 25</u>	<u>\$ (28)</u>	<u>\$ (30)</u>	<u>\$ (23)</u>

These statements provide information about cash collections and cash payments made by USNH each year. The statements are designed to help readers assess our ability to generate the cash flows necessary to meet current and future obligations. Cash flows from operating activities will always be different than the operating results on the Statements of Revenues, Expenses and Changes in Net Position because of the inclusion of noncash items, such as depreciation expense, and because the latter statement is prepared on the accrual basis of accounting, meaning that it shows revenues when earned and expenses incurred. The decrease in cash flows from operating and non-capital financing activities is primarily related to a reduction in grant receipts primary due to related increase in grants receivable at June 30, 2025, as well as an increase in employee compensation costs. The net cash used in capital financing activities for fiscal year 2025 decreased primarily due to a decrease in state capital funding as the biennium came to a close and the majority of the two year appropriation was received in fiscal year 2024. The cash provided by investing activities in fiscal year 2025 increased from the prior year, primarily due to net investment proceeds attributable to an increase in realized gains.

IV. Disclosure of Currently Known Facts, Decisions, or Conditions

USNH faces demographic challenges with declining birth rates and an aging population in New Hampshire. Additionally, the higher education market in New England is highly competitive due to a shrinking market and limited ability to increase prices or decrease student financial aid.

Pursuant to State of NH Chapter 140 Laws of 2025, the state operating appropriations authorized for USNH for the fiscal year 2026/2027 biennium are \$87 million for fiscal year 2026 and \$77 million for fiscal year 2027, which is a reduction of approximately 15% over the biennium and FY27 is a reduction of 19% from fiscal year 2025 appropriations of \$95 million.

USNH continues to evaluate and update the future systemwide and institutional vision and related strategies, which include plans to restructure academic and administrative activities to align costs with lower revenue expectations in the coming years. This includes investing in strategic initiatives in the areas of technology, enrollment, and facilities/infrastructure investments. As stated earlier, USNH has implemented the Workday Finance and Human Resources modules as of January 1, 2025, and plans to implement the Workday Student modules in 2027. USNH remains committed to affordability and student success through financial aid and academic restructuring. USNH continues to focus on multi-year planning to address the demographic and market changes ahead.

For further information about these financial statements, contact the University System of New Hampshire, Financial Affairs (603-862-2260), Farnum Hall, 28 College Drive, Concord, NH 03301.

University System of New Hampshire

Statements of Net Position

(\$ in thousands)

	Balance at June 30,	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 29,548	\$ 52,178
Short-term investments	142,709	155,353
Accounts receivable, net	42,830	40,388
Pledges receivable - current portion	4,233	6,643
Notes receivable - current portion	241	615
Lease receivable - current portion	220	230
Prepaid expenses and other current assets	11,762	13,218
Total Current Assets	231,543	268,625
Noncurrent Assets		
Debt proceeds held by bond trustee for construction purposes	–	14,296
Endowment and similar investments - campuses	689,573	642,830
Endowment and similar investments - affiliated entities	380,159	345,151
Pledges receivable, net of current portion	8,309	8,761
Notes receivable, net of current portion	2,566	3,157
Lease receivable, net of current portion	863	1,026
Pension assets, net of obligations	1,510	1,399
Capital assets, net of accumulated depreciation/amortization	1,233,202	1,205,437
Total Noncurrent Assets	2,316,182	2,222,057
TOTAL ASSETS	2,547,725	2,490,682
DEFERRED OUTFLOWS OF RESOURCES	17,897	21,816
LIABILITIES		
Current Liabilities		
Accounts payable and accrued expenses	68,733	72,288
Deposits and unearned revenues	59,833	55,353
Accrued employee benefits - current portion	7,852	9,370
Postretirement medical benefits - current portion	7,571	7,039
Long-term leases and subscriptions - current portion	7,520	7,305
Long-term debt - current portion	17,211	19,692
Total Current Liabilities	168,720	171,047
Noncurrent Liabilities		
Asset retirement and other obligations	6,669	6,802
Refundable government advances	2,097	3,386
Accrued employee benefits, net of current portion	23,276	29,019
Postretirement medical benefits, net of current portion	51,685	57,707
Long-term leases and subscriptions, net of current portion	73,408	69,097
Long-term debt, net of current portion	325,609	342,819
Total Noncurrent Liabilities	482,744	508,830
TOTAL LIABILITIES	651,464	679,877
DEFERRED INFLOWS OF RESOURCES	20,056	20,134
NET POSITION (see Note 14)		
Net investment in capital assets	789,135	799,653
Restricted		
Nonexpendable	369,088	352,049
Expendable	363,433	317,735
Unrestricted	372,446	343,050
TOTAL NET POSITION	\$1,894,102	\$1,812,487

See accompanying notes to the financial statements.

University System of New Hampshire Statements of Revenues, Expenses and Changes in Net Position

(\$ in thousands)

	For the year ended June 30,	
	2025	2024
OPERATING REVENUES		
Resident tuition	\$ 157,615	\$ 154,225
Nonresident tuition	321,424	324,584
Continuing education tuition	8,783	9,743
Student fees revenue	67,484	66,277
Total tuition and fees	555,306	554,829
Less: student financial aid - grants and contracts	(44,265)	(34,488)
Less: student financial aid - all other	(197,788)	(198,413)
Net tuition and fees	313,253	321,928
Grants and contracts - direct revenues	172,726	187,880
Grants and contracts - facilities & administrative recovery	37,577	34,363
Sales of auxiliary services	174,340	173,735
Other operating revenues	33,878	38,835
TOTAL OPERATING REVENUES	731,774	756,741
OPERATING EXPENSES		
Employee compensation - grants and contracts	92,220	86,255
Employee compensation - all other	490,162	481,981
Supplies and services - grants and contracts	62,440	80,464
Supplies and services - all other	176,700	182,350
Utilities	24,544	22,446
Depreciation and amortization	78,671	74,549
TOTAL OPERATING EXPENSES	924,737	928,045
Operating loss	(192,963)	(171,304)
NONOPERATING REVENUES (EXPENSES)		
State of New Hampshire general appropriations	95,000	98,118
Federal Pell grants	28,666	22,046
Other nonoperating grant revenue	55	2,449
Noncapital gifts	19,188	15,870
Endowment and investment income	57,398	58,113
Interest expense, net	(14,639)	(13,781)
Other nonoperating revenue	158	131
TOTAL NONOPERATING REVENUES (EXPENSES)	185,826	182,946
INCREASE (DECREASE) IN NET POSITION BEFORE OTHER CHANGES	(7,137)	11,642
OTHER CHANGES IN NET POSITION		
State of New Hampshire capital appropriations	3,064	14,858
Plant gifts, grants and other changes, net	4,491	6,524
Endowment and similar gifts	16,174	10,122
Endowment return, net of amount used for operations	65,023	65,325
TOTAL OTHER CHANGES IN NET POSITION	88,752	96,829
INCREASE IN NET POSITION	81,615	108,471
NET POSITION AT BEGINNING OF YEAR	1,812,487	1,704,016
NET POSITION AT END OF YEAR	\$1,894,102	\$1,812,487

See accompanying notes to the financial statements.

University System of New Hampshire

Statements of Cash Flows

(\$ in thousands)

	For the year ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from tuition and fees, net of student financial aid	\$317,485	\$ 324,984
Receipts from sales of auxiliary services	173,987	173,446
Receipts from grants, contracts and other operating revenues	243,953	267,792
Payments to employees	(430,598)	(423,843)
Payments for employee benefits	(159,186)	(145,832)
Payments for supplies, services and utilities	(268,183)	(292,075)
NET CASH USED IN OPERATING ACTIVITIES	(122,542)	(95,528)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State general appropriations	95,000	98,118
Federal Pell and other nonoperating grants	28,880	24,561
Noncapital gifts	21,205	15,571
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	145,085	138,250
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
State appropriations for plant projects	3,064	14,859
Plant gifts and grants	4,828	6,767
Endowment gifts	16,174	9,997
Proceeds from issuance of debt, sale of capital assets	624	5,126
Principal payments	(25,416)	(21,944)
Interest payments	(16,305)	(13,549)
Purchases and construction of capital assets	(96,107)	(125,039)
Retirement of debt through defeasance	-	-
NET CASH USED IN CAPITAL FINANCING ACTIVITIES	(113,138)	(123,783)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	550,922	409,094
Purchases of investments	(501,645)	(376,309)
Investment income	18,688	17,851
NET PROVIDED BY INVESTING ACTIVITIES	67,965	50,636
DECREASE IN CASH AND EQUIVALENTS	(22,630)	(30,425)
BEGINNING CASH AND CASH EQUIVALENTS	52,178	82,603
ENDING CASH AND CASH EQUIVALENTS	\$ 29,548	\$ 52,178
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	\$(192,963)	\$ (171,304)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	78,671	74,549
Changes in assets and liabilities:		
Accounts receivable, net	(2,443)	3,182
Notes receivable	(323)	(108)
Lease receivable	(55)	3
Prepaid expenses and other current assets	1,456	(2,238)
Accounts payable and accrued expenses	(1,533)	(2,814)
Deposits and unearned revenues	4,826	5,287
Accrued employee benefits	(10,178)	(2,085)
NET CASH USED IN OPERATING ACTIVITIES	\$(122,542)	\$(95,528)
SIGNIFICANT NONCASH TRANSACTIONS		
Endowment return, net of amount used for operations	\$ 65,023	\$ 65,325
Loss on disposal of capital assets	(729)	(8,566)
Construction services payable balance	11,145	13,514

See accompanying notes to the financial statements.

Notes to the Financial Statements

June 30, 2025 and 2024

1. Summary of significant accounting policies and presentation

The University System of New Hampshire (USNH) is a not-for-profit institution of higher education created in 1963 as a body politic and corporate under the laws of the State of New Hampshire (the State) and is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. USNH is considered a component unit of the State for financial reporting purposes. The accompanying financial statements include the accounts of the University of New Hampshire (UNH), Plymouth State University (PSU), and Keene State College (KSC) as well as certain affiliated entities discussed below. UNH, PSU, and KSC are collectively referred to in the accompanying financial statements as "campuses."

Affiliated entities and related parties

Governmental accounting standards require that all potential component units be evaluated for inclusion in the financial statements of the primary government of the reporting entity. USNH's policy on 'Foundations Established for the Benefit of USNH or its Component Institutions' states that the USNH Board of Trustees retains control over the activities of any affiliated foundation. The USNH policy further states that USNH has the legal authority to terminate the existence of any affiliated foundation, at which time ownership of the related assets would revert to USNH. Two legally separate affiliated foundations are impacted by this policy and, accordingly, are considered blended component units of USNH. The University of New Hampshire Foundation, Inc. (UNHF) and the Keene Endowment Association (KEA) are collectively referred to in the accompanying financial statements as "affiliated entities." The associated revenues, expenses, assets, liabilities, deferred inflows, deferred outflows, and net position of UNHF and KEA are fully consolidated with those of the campuses in the accompanying financial statements, and all associated inter-entity activity has been eliminated.

UNHF, Inc. was incorporated in 1989 as a not-for-profit, tax-exempt organization. Its purpose is to solicit, collect, invest, and disburse funds for the sole benefit of the University of New Hampshire. The University of New Hampshire funds a portion of the operating expenses of UNHF. UNHF is governed by its own Board of Directors, the membership of which includes the President of the University of New Hampshire and up to three other members of the USNH Board of Trustees. UNHF has a separate financial statement audit each year. Condensed financial information for UNHF is included in Note 16. The KEA was organized in 1957 as a separate charitable entity to provide financial assistance to deserving students at Keene State College. Income is distributed at the discretion of the Trustees of KEA.

Basis of accounting

The accompanying financial statements have been prepared in accordance with US generally accepted accounting principles (GAAP) prescribed by the Governmental Accounting Standards Board (GASB) using the economic resources measurement focus and the accrual basis of accounting.

USNH follows the requirements of the "business-type activities" (BTA) model as defined by GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis for Public Colleges and Universities*. BTAs are defined as those that are financed in whole or in part by fees charged to external parties for goods or services. The Statement requires that resources be classified into the following net position categories, as more fully detailed in Note 14:

Net investment in capital assets: Property and equipment at historical cost or fair value on date of acquisition, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition or construction of those assets.

Restricted nonexpendable: Resources subject to externally imposed stipulations that they be maintained permanently by USNH. These funds include the historical gift value of restricted true endowment funds.

Restricted expendable: Resources whose use by USNH is subject to externally imposed stipulations. Such funds include the accumulated net gains on donor-restricted "true" endowment funds; the fair value of restricted funds functioning as endowment; restricted funds loaned to students; restricted gifts and endowment income; and other similarly restricted funds.

Unrestricted: Resources that are not subject to externally imposed stipulations. Substantially all unrestricted net position funds are designated to support academic, research, or auxiliary enterprises; invested to function as endowment; or committed to capital construction projects.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from these estimates. The most significant areas that require management estimates relate to valuation of certain investments and derivative instruments, useful life and related depreciation of capital assets, and accruals for postretirement medical and other employee-related benefits.

Investments are maintained with established financial institutions whose credit is evaluated by management and the respective governing boards of USNH and its affiliated entities. Investments of operating cash in money market and other mutual funds are generally recorded as cash equivalents. These amounts are invested for purposes of satisfying current operating liabilities and generating investment income to support ongoing operations. Short-term investments represent highly liquid amounts held for other current liabilities.

Property and equipment are recorded at original cost for purchased assets or at fair value on the date of donation in the case of gifts, except for intangible right to use lease assets, the measurement of which is discussed in Note 9. Equipment with a unit cost of \$5,000 or more is capitalized. Building improvements with a cost of \$50,000 or greater are also capitalized. The value of equipment acquired under leases is recorded at the present value of the minimum lease payments at the inception of the lease. Depreciation of property and equipment is calculated on a straight-line basis over the estimated useful lives of the respective assets. The cost of certain research buildings is componentized for the purpose of calculating depreciation. Buildings and improvements are depreciated over useful lives ranging from 4 to 50 years. Depreciable lives for equipment range from 3 to 30 years. See Note 5 for additional information on depreciation. USNH does not record donated works of art and historical treasures that are held for exhibition, education, research, and public service.

Library collections are recorded as an expense in the period purchased, except for the University of New Hampshire Franklin Pierce School of Law (UNHL) library collections which are capitalized annually and depreciated over a ten-year period on a straight-line basis.

Deposits and unearned revenue consist of amounts billed or received in advance of USNH providing goods or services. Advances from the U.S. Government for Federal Perkins Loans to students are reported as government advances refundable. Federal Direct Loan proceeds are posted to student accounts as approved and drawn weekly. Lease liabilities are recognized based on specific accounting rules applicable to the type of lease.

Operating revenues include tuition and fees, grants and contracts, sales of auxiliary services, and other operating revenues. Tuition and fee revenues are reported net of student financial aid discounts and allowances. Operating expenses include employee compensation and benefits, supplies and services, utilities, and depreciation. Operating expenses also include the use of federal Higher Education Emergency Relief Fund and the State of New Hampshire Governor's Office for Emergency Relief and Recovery awards. Nonoperating revenues (expenses) include all other revenues and expenses except certain changes in long-term plant, endowment and other net position funds, which are reported as other changes in net position. Operating revenues are recognized when earned and expenses are recorded when incurred. Restricted grant revenue is recognized only to the extent of applicable expenses incurred or, in the case of fixed-price contracts, when the contract terms are met or completed.

Unconditional pledges of non-endowment gifts are presented net of estimated amounts deemed uncollectible after discounting to the present value of expected future cash flows. Because of uncertainties regarding their realization and valuation, bequest intentions and other conditional promises are not recognized as assets until the specified conditions are met. In accordance with GASB requirements, endowment pledges expected to be received over the next ten years, totaling \$14,942,000 and \$7,620,000 at June 30, 2025 and 2024, respectively, have not been reported in the accompanying financial statements. USNH generally uses restricted funds first when an expense is incurred where both restricted and unrestricted funds are available.

Endowment return used for operations per application of the Board-approved endowment spending policy is reported as nonoperating revenue. Net realized and unrealized gains/losses and interest/dividend income earned on endowment and similar investments, together with the excess (deficit) of these earnings over the return used for operations, are reported as other changes in net position.

USNH implemented a new enterprise resource planning (ERP) financial management system on January 1, 2025. As part of this implementation, management reviewed financial reporting classifications and adjusted certain revenue and expense categories to align with the new chart of accounts and reporting structure. The System's financial statements include comparative financial information. Certain prior year amounts have been reclassified to conform to the current year presentation.

New reporting standards

The System adopted the Governmental Accounting Standards Board's new accounting standard, GASB Statement No.101: *Compensated absences*. The objective of this standard is to establish recognition and measurement guidance for all types of compensated absences, including leave that accumulates but does not vest, and refine the definition of when a liability should be recognized. Implementation of this standard required the University System to evaluate all leave types — including vacation, sick, parental, sabbatical, and other paid leave benefits — to determine which meet the recognition criteria under GASB 101. There was no material effect on the financial statements due to this adoption.

2. Cash, cash equivalents and short-term investments

Cash equivalents and short-term investments are recorded at fair value. USNH's investment policy and guidelines specify permitted instruments, durations, required ratings and insurance of USNH cash, cash equivalents and short-term investments. The investment policy and guidelines are intended to mitigate credit risk on investments individually and in the aggregate through restrictions on investment type, liquidity, custodian, dollar level, maturity, and rating category. Money market funds are placed with large national fund managers. These funds must be rated Aaa by Standard & Poor's and Moody's Investor Service and comply with Securities and Exchange Commission Rule 2A-7. Repurchase agreements must be fully collateralized at 102% of the face value by US Treasuries, or 103% of the face value by US Government-backed or guaranteed agencies or government sponsored enterprises. In addition, USNH investments may not exceed 5% of any institution's total deposits or 20% of any institution's net equity.

Cash equivalents represent amounts invested to satisfy current operating liabilities and include repurchase agreements, money market funds and other mutual funds. Repurchase agreements are limited to overnight investments only. Short-term investments are highly liquid amounts held to support specific current liabilities. Short-term investments are generally uninsured and uncollateralized against custodial credit risk, and the related mutual funds are not rated. Cash and cash equivalents totaled \$29,548,000 and \$52,178,000 at June 30, 2025 and 2024, respectively, and short-term investments totaled \$142,709,000 and \$155,353,000 at June 30, 2025 and 2024, respectively. See Note 4 for additional information on fair value classifications.

The components of cash, cash equivalents and short-term investments are summarized below (*\$ in thousands*):

	Balances and Terms as of June 30, 2025					Balances and Terms as of June 30, 2024				
	Cash	Cash Equivalents and Short-Term Investments		Total	Weighted Average Maturity	Cash	Cash Equivalents and Short-Term Investments		Total	Weighted Average Maturity
		Level 1	Level 2				Level 1	Level 2		
Cash balance	\$24,306	\$ —	\$ —	\$ 24,306		\$31,776	\$ —	\$ —	\$ 31,776	
Money market funds	—	5,242	—	5,242	Less than 1 year	—	20,402	—	20,402	Less than 1 year
Subtotal cash and cash equivalents	24,306	5,242	—	29,548		31,776	20,402	—	52,178	
Money market funds	—	25,625	—	25,625	Less than 1 year	—	27,129	—	27,129	Less than 1 year
Domestic equity	—	679	—	679	Less than 1 year	—	588	—	588	Less than 1 year
Mutual Funds	—	116,348	—	116,348	1-5 years	—	127,579	—	127,579	1-5 years
Convertible note	—	—	57	57	1-5 years	—	—	57	57	1-5 years
Subtotal short-term investments	—	142,652	57	142,709		—	155,296	57	155,353	
Total cash, cash equivalents and short-term investments	\$24,306	\$147,894	\$57	\$172,257		\$31,776	\$175,698	\$57	\$207,531	

3. Accounts, pledges, notes, and lease receivable

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

	2025	2024
Grants and contracts	\$37,525	\$34,146
Student and general	7,795	9,025
Allowance for doubtful accounts	(2,490)	(2,783)
Total accounts receivable, net	<u>\$42,830</u>	<u>\$40,388</u>

Pledges receivable at June 30 consisted entirely of unconditional non-endowment promises to pay as follows (\$ in thousands):

	2025	2024
Pledges receivable	\$15,022	\$18,137
Discounts and allowance for doubtful pledges	(2,480)	(2,733)
Total pledges receivable, net	12,542	15,404
Less: noncurrent portion	(8,309)	(8,761)
Current portion	<u>\$ 4,233</u>	<u>\$ 6,643</u>

Notes receivable at June 30 consisted primarily of student loan funds as follows (\$ in thousands):

	2025	2024
Perkins loans	\$1,995	\$3,017
Other loans, restricted and unrestricted	1,625	1,632
Allowance for doubtful loans	(813)	(877)
Total notes receivable, net	2,807	3,772
Less: noncurrent portion	(2,566)	(3,157)
Current portion	<u>\$ 241</u>	<u>\$ 615</u>

Lease receivable at June 30 consisted primarily of long-term leases as follows (\$ in thousands):

	2025	2024
Long-term lease receivable	\$1,076	\$1,254
Accrued interest receivable	7	2
Total lease receivable, net	1,083	1,256
Less: noncurrent portion	(863)	(1,026)
Current portion	<u>\$ 220</u>	<u>\$ 230</u>

See Note 9 for additional information on leases.

4. Investments

USNH's investment policy and guidelines specify permitted instruments, duration and required ratings for pooled endowment funds. The policy and guidelines are intended to mitigate risk on investments individually and in the aggregate while maximizing total returns and supporting intergenerational equity of spending levels. Illiquid investments are limited to 25% of the USNH consolidated endowment pool. Credit risk is mitigated by due diligence in the selection and continuing review of investment managers as well as diversification of both investment managers and underlying investments. Except in unusual circumstances, no more than 15% of total portfolio assets may be invested in any one actively managed strategy. If an investment manager is retained to manage more than one strategy, that manager will be limited to 20% of total portfolio assets. Passively managed investment strategies will not be limited within the portfolio, however, any one manager of passive strategies will be limited to 20% of total portfolio assets. Any manager positions exceeding these limits will be reviewed by the Advisor who will take the appropriate course of action to bring active manager exposures back in line with the concentration limit. Private global equity investments are limited to 25% of the endowment pool with a policy range of 0% - 25%. No USNH endowment investments were denominated in foreign currencies as of June 30, 2025 or June 30, 2024.

GASB Statement No. 72, *Fair Value Measurement and Application*, requires that USNH categorize assets measured at fair value using a three-tiered hierarchy based on the valuation methodologies employed. The hierarchy includes the following:

Level 1 — Value based on quoted prices (unadjusted) in active markets for identical assets that are accessible at the measurement date

Level 2 — Value based on inputs other than quoted prices that are observable for an asset either directly or indirectly; and

Level 3 — Value based on unobservable inputs for an asset

In determining fair value of investment assets, USNH utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. As a practical expedient to estimate the fair value of USNH's interests, certain investments in commingled funds and limited partnerships are reported at the net asset value (NAV) determined by the respective fund managers, without adjustment when assessed as reasonable by USNH, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. Because these investments are not readily marketable, their estimated fair values may differ from the values that would have been assigned had a ready market for such investments existed, and such differences could be material. As of June 30, 2025 and 2024, USNH had no plans or intentions to sell such investments at amounts different from NAV. Investments reported at NAV as a practical expedient are not categorized in the fair value hierarchy.

The endowment and similar investment holdings of the campuses and affiliated entities as of June 30, 2025 and 2024, respectively, are summarized below (\$ in thousands):

	Campuses		Affiliated Entities	
	2025	2024	2025	2024
Pooled endowments:				
Campuses	\$668,159	\$623,124	\$ —	\$ —
UNH Foundation	—	—	347,140	316,767
Keene Endowment Association	—	—	26,325	21,968
Life income and annuity funds	86	83	6,694	6,416
Funds held in trust	21,328	19,623	—	—
Total	<u>\$689,573</u>	<u>\$642,830</u>	<u>\$380,159</u>	<u>\$345,151</u>

The majority of USNH's investments are units of institutional commingled funds and limited partnerships invested in equity, fixed income, hedge, natural resources, private equity, or real estate strategies. Hedge strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedge strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges and other instruments which are valued by the investment manager. To the extent quoted prices exist the manager would use those; when these are not available, other methodologies maximizing observable inputs would be used for the valuation, such as discounted cash flow analysis, capitalization of current or stabilized net operating income, replacement costs, or sales contracts and recent sales comparable in the market. Private equity funds employ buyout, growth, venture capital, and distressed security strategies. Real asset funds generally hold interests in private real estate. Fixed income securities had maturities up to 12 years at both June 30, 2025 and 2024 and carried ratings ranging from Aaa to Baa3 as of June 30, 2025 and 2024. The mutual fund investments held in the endowment pools are not rated.

The following table summarizes the fair value of USNH's investments by type ordered alphabetically (\$ in thousands):

	Balances as of June 30, 2025					Balances as of June 30, 2024				
	Investments Classified in Fair Value Hierarchy			Investments Measured at NAV	Total	Investments Classified in Fair Value Hierarchy			Investments Measured at NAV	Total
	Level 1	Level 2	Level 3			Level 1	Level 2	Level 3		
Endowment and similar investments – campuses										
Domestic equity	\$ 80,142	\$ –	\$ –	\$ 104,923	\$ 185,065	\$ 76,261	\$ –	\$ –	\$ 108,404	\$ 184,665
Global equity	–	–	–	47,615	47,615	–	–	–	41,289	41,289
Global fixed income	65,351	–	–	–	65,351	51,688	–	–	–	51,688
Hedge funds:										
Distressed/Restructuring	–	–	–	34,187	34,187	–	–	–	14,967	14,967
Equity Hedge	–	–	–	43,804	43,804	–	–	–	34,337	34,337
Event-Driven	–	–	–	69,753	69,753	–	–	–	68,393	68,393
Fund of Funds	–	–	–	38	38	–	–	–	47	47
Inflation hedging assets	11,773	–	–	–	11,773	9,409	–	–	11,226	20,635
International equity	62,673	–	–	29,906	92,579	38,612	–	–	47,167	85,779
Money market	10,405	–	–	–	10,405	18,398	–	–	–	18,398
Private equity & non-marketable real assets	–	–	–	107,674	107,674	–	–	–	103,009	103,009
Trust funds	–	21,329	–	–	21,329	–	19,623	–	–	19,623
Total endowment and similar investments – campuses	<u>\$230,344</u>	<u>\$21,329</u>	<u>\$ –</u>	<u>\$437,900</u>	<u>\$689,573</u>	<u>\$194,368</u>	<u>\$19,623</u>	<u>\$ –</u>	<u>\$428,839</u>	<u>\$642,830</u>
Endowment and similar investments – affiliated entities										
Domestic equity	\$ 27,347	\$ –	\$ –	\$ 61,738	\$ 89,085	\$ 25,940	\$ –	\$ –	\$ 73,756	\$ 99,696
Global equity	624	–	–	92,359	92,983	390	–	–	69,729	70,119
Global fixed income	9,614	17,381	1,718	–	28,713	10,521	16,092	1,649	–	28,262
Hedge funds:										
Distressed/Restructuring	–	–	–	14,585	14,585	–	–	–	9,462	9,462
Equity Hedge	–	–	–	18,027	18,027	–	–	–	13,509	13,509
Event-Driven	–	–	–	16,699	16,699	–	–	–	19,519	19,519
Inflation hedging assets	17,871	–	–	–	17,871	16,675	–	–	–	16,675
International equity	29,676	–	–	11,299	40,975	25,536	–	–	12,842	38,378
Money market	9,891	–	–	–	9,891	5,682	–	–	–	5,682
Private equity & non-marketable real assets	–	–	–	51,330	51,330	–	–	–	43,849	43,849
Total endowment and similar investments – affiliated entities	<u>\$ 95,023</u>	<u>\$17,381</u>	<u>\$1,718</u>	<u>\$266,037</u>	<u>\$ 380,159</u>	<u>\$ 84,744</u>	<u>\$16,092</u>	<u>\$1,649</u>	<u>\$242,666</u>	<u>\$345,151</u>
Total endowment and similar investments	<u>\$325,367</u>	<u>\$38,710</u>	<u>\$1,718</u>	<u>\$703,937</u>	<u>\$1,069,732</u>	<u>\$279,112</u>	<u>\$35,715</u>	<u>\$1,649</u>	<u>\$671,505</u>	<u>\$987,981</u>

As of June 30, 2025, USNH and UNHF each had two funds in a one-year lock up period. All funds classified as illiquid have no ability to be redeemed at this time. For USNH, there are 39 funds classified as illiquid, of which 31 are expected to be liquidated over the next one to 10 years, and eight currently have no stated liquidation timeframe. For UNHF, 33 funds are classified as illiquid, 31 are expected to be liquidated over the next one to 10 years and two funds have no expected liquidation dates.

Unfunded commitments with various private equity and similar alternative investment funds totaled \$42,982,000 for USNH and \$35,404,000 for UNHF at June 30, 2025. This compares to \$49,316,000 and \$37,632,000, respectively, at June 30, 2024.

Investment liquidity for the past two years is aggregated below based on redemption terms or availability (\$ in thousands):

Liquidity Terms as of June 30, 2025								
	Daily	Monthly	Quarterly	Semi-Annually	Annually	illiquid	Total	Redemption Notice Period
Endowment and similar investments – campuses								
Money market	\$ 10,405	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 10,405	Daily
Global fixed income	65,351	–	–	–	–	–	65,351	Daily
Inflation hedging assets	11,773	–	–	–	–	–	11,773	Daily
International equity	62,673	29,906	–	–	–	–	92,579	1-5 days
Domestic equity	80,142	–	104,923	–	–	–	185,065	1-60 days
Global equity	–	35,243	–	–	–	12,372	47,615	10 days, illiquid
Hedge funds:								
Equity Hedge	9,129	–	16,955	–	–	17,720	43,804	1-60 days, illiquid
Event-Driven	9,624	–	15,339	44,790	–	–	69,753	1-90 days
Distressed/Restructuring	–	–	13,694	–	10,237	10,256	34,187	75 days, illiquid
Fund of Funds	–	–	–	–	–	38	38	illiquid
Private equity & non-marketable real assets	–	–	–	–	–	107,674	107,674	illiquid
Funds held in trust	–	–	–	–	–	21,329	21,329	illiquid
Total endowment and similar investments – campuses	<u>\$249,097</u>	<u>\$65,149</u>	<u>\$150,911</u>	<u>\$44,790</u>	<u>\$10,237</u>	<u>\$169,389</u>	<u>\$ 689,573</u>	
Endowment and similar investments – affiliated entities								
Money market	\$ 9,891	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 9,891	Daily
Inflation hedging assets	17,871	–	–	–	–	–	17,871	Daily
International equity	40,975	–	–	–	–	–	40,975	Daily
Global fixed income	26,995	–	–	–	–	1,718	28,713	Daily, illiquid
Global equity	49,060	20,657	23,266	–	–	–	92,983	1-30 days
Domestic equity	27,347	11,495	50,243	–	–	–	89,085	1-60 days
Hedge funds:								
Equity Hedge	–	–	18,027	–	–	–	18,027	30-45 days
Event-Driven	–	–	1,535	15,090	74	–	16,699	65-90 days
Distressed/Restructuring	–	–	–	–	6,385	8,200	14,585	90 days, illiquid
Private equity & non-marketable real assets	–	–	–	–	–	51,330	51,330	illiquid
Total endowment and similar investments - affiliated entities	<u>\$172,139</u>	<u>\$32,152</u>	<u>\$ 93,071</u>	<u>\$15,090</u>	<u>\$ 6,459</u>	<u>\$ 61,248</u>	<u>\$ 380,159</u>	
Total endowment and similar investments	\$421,236	\$97,301	\$243,982	\$59,880	\$16,696	\$230,637	\$1,069,732	
Liquidity Terms as of June 30, 2024								
	Daily	Monthly	Quarterly	Semi-Annually	Annually	illiquid	Total	Redemption Notice Period
Endowment and similar investments – campuses								
Money market	\$ 18,398	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 18,398	Daily
Global fixed income	51,688	–	–	–	–	–	51,688	Daily
International equity	60,524	25,255	–	–	–	–	85,779	1-10 days
Inflation hedging assets	9,409	11,226	–	–	–	–	20,635	1-15 days
Domestic equity	76,261	–	108,403	–	–	–	184,664	1-60 days
Global equity	–	30,170	10,885	–	–	–	41,055	30 days
Hedge funds:								
Equity Hedge	11,093	–	23,244	–	–	–	34,337	30-60 days
Event-Driven	11,380	–	13,797	43,216	–	–	68,393	60-90 days
Distressed/Restructuring	–	–	–	–	14,967	–	14,967	90 days
Fund of Funds	–	–	–	–	–	47	47	illiquid
Private equity & non-marketable real assets	–	–	–	–	–	103,244	103,244	illiquid
Funds held in trust	–	–	–	–	–	19,623	19,623	illiquid
Total endowment and similar investments – campuses	<u>\$238,753</u>	<u>\$ 66,651</u>	<u>\$156,329</u>	<u>\$43,216</u>	<u>\$14,967</u>	<u>\$122,914</u>	<u>\$642,830</u>	
Endowment and similar investments – affiliated entities								
Money market	\$ 5,682	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 5,682	Daily
Inflation hedging assets	16,675	–	–	–	–	–	16,675	Daily
Global fixed income	26,613	–	–	–	–	1,649	28,262	Daily, illiquid
Global equity	22,011	27,638	20,470	–	–	–	70,119	1-60 days
Domestic equity	33,916	10,375	55,405	–	–	–	99,696	1-60 days
International equity	35,367	–	3,011	–	–	–	38,378	1-90 days
Hedge funds:								
Equity Hedge	–	–	13,509	–	–	–	13,509	30-60 days
Event-Driven	–	–	5,800	13,367	352	–	19,519	60-90 days
Distressed/Restructuring	–	–	–	–	9,462	–	9,462	90 days
Private equity & non-marketable real assets	–	–	–	–	–	43,849	43,849	illiquid
Total endowment and similar investments - affiliated entities	<u>\$140,264</u>	<u>\$ 38,013</u>	<u>\$ 98,195</u>	<u>\$13,367</u>	<u>\$ 9,814</u>	<u>\$ 45,498</u>	<u>\$345,151</u>	
Total endowment and similar investments	\$379,017	\$104,664	\$254,524	\$56,583	\$24,781	\$168,412	\$ 987,981	

5. Capital assets

Capital assets activity for the years ended June 30, 2025 and 2024 is summarized as follows (\$ in thousands):

	Balance June 30, 2023	2024		Balance June 30, 2024	2025		Balance June 30, 2025
		Additions	Retirements & Changes		Additions	Retirements & Changes	
Land	\$ 14,990	\$ –	\$ (827)	\$ 14,163	\$ –	\$ –	\$ 14,163
Construction in progress, net	78,148	108,531	(13,260)	173,419	84,285	(136,454)	121,250
Total nondepreciable assets	93,138	108,531	(14,087)	187,582	84,285	(136,454)	135,413
Buildings and improvements	1,961,939	12,809	(8,366)	1,966,382	125,071	(5,785)	2,085,668
Equipment	163,687	17,030	(1,681)	179,036	9,341	(1,964)	186,413
Total depreciable assets	2,125,626	29,839	(10,047)	2,145,418	134,412	(7,749)	2,272,081
Intangible right to use assets - real estate	44,013	97	(2,556)	41,554	155	786	42,495
Intangible right to use assets - equipment	1,469	1,798	(1,034)	2,233	–	6	2,239
Intangible right to use assets - subscription	50,601	7,492	(8,953)	49,140	17,386	3,559	70,085
Total amortizable intangible assets	96,083	9,387	(12,543)	92,927	17,541	4,351	114,819
Total capital assets	2,314,847	147,757	(36,677)	2,425,927	236,238	(139,852)	2,522,313
Less: accumulated depreciation	(1,140,328)	(66,927)	6,050	(1,201,205)	(69,049)	6,850	(1,263,404)
Less: accumulated amortization	(14,373)	(7,562)	2,650	(19,285)	(9,552)	3,130	(25,707)
Total accumulated depreciation/amortization	(1,154,701)	(74,489)	8,700	(1,220,490)	(78,601)	9,980	(1,289,111)
Capital assets, net	<u>\$1,160,146</u>	<u>\$73,268</u>	<u>\$(27,977)</u>	<u>\$1,205,437</u>	<u>\$157,637</u>	<u>\$(129,872)</u>	<u>\$1,233,202</u>

Contractual obligations for major construction projects totaled approximately \$19,674,000 and \$65,379,000 at June 30, 2025 and 2024, respectively. See Note 9 for additional information on intangible right to use assets.

6. Accrued employee benefits

Accrued employee benefit obligations at June 30 are summarized below (\$ in thousands):

	Balance June 30, 2023	2024		Balance June 30, 2024	2025		Balance June 30, 2025	Current Portion
		Payments to/ on Behalf of Participants	Expenses & Other Changes		Payments to/ on Behalf of Participants	Expenses & Other Changes		
Additional retirement contribution	\$ 957	\$ (105)	\$ 124	\$ 976	\$ (71)	\$ (18)	\$ 887	\$ 71
Standard employee separation incentives	1,106	(4,136)	6,464	3,434	(4,136)	3,259	2,557	2,178
Enhanced retirement and separation programs	8,290	(1,073)	–	7,217	(1,270)	(4,641)	1,306	988
Long-term disability	1,154	(177)	5	982	(122)	(180)	680	122
Workers' compensation	2,676	(999)	931	2,608	(922)	996	2,682	922
Compensated absences	22,190	(2,873)	2,873	22,190	(2,234)	2,194	22,150	2,705
Other benefits	754	–	228	982	–	(116)	866	866
Total accrued employee benefits	<u>\$37,127</u>	<u>\$(9,363)</u>	<u>\$10,625</u>	<u>\$38,389</u>	<u>\$(8,755)</u>	<u>\$1,494</u>	<u>\$31,128</u>	<u>\$7,852</u>

The **Additional Retirement Contribution** program is a single employer plan administered by USNH and offered to eligible employees hired between July 1, 1994 and June 30, 2011. Under this plan, staff meeting certain voluntary defined benefit plan contribution levels receive an additional 1% of their salary contributed to their defined contribution retirement plan (see below) by USNH in lieu of post-retirement medical benefits. Employees meeting certain service guidelines prior to July 1, 1994 are also eligible for a guaranteed minimum employer retirement contribution of \$10,000 plus an additional \$1,000 for each year of service in excess of 20 years less 1% of the participant's salary account. There were 115 and 126 active employees meeting the requirements for the guaranteed minimum employer contribution as of June 30, 2025 and 2024, respectively.

The calculations for the Additional Retirement Contribution program are based on the benefits provided by the program at the time of the last biennial actuarial valuation, December 31, 2023, and were developed using the Entry Age Normal Actuarial Cost Method. The discount rate used in determining the accrued liabilities was 4.08% and 3.26% for 2025 and 2024, respectively, based on Bond Buyer 20-Bond General Obligation index rate as of the measurement date. Inflation rates of 2.5% and salary increase rates of 3% were used to determine the liability along with the PubG.H-2010 General Employee Headcount-weighted Mortality Table projected generationally with Scale MP-2021. USNH accrued \$887,000 and \$976,000 at June 30, 2025 and 2024, respectively, for the related obligations. If the discount rate were to increase by 1%, the total liability at June 30, 2025 and 2024 would be \$862,000 and \$944,000, respectively. Similarly, if the discount rate were to decrease by 1%, the total liability at June 30, 2025 and 2024 would be \$912,000 and \$1,008,000, respectively. The Additional Retirement Contribution program expense was \$0 and (\$24,000) for fiscal years 2025 and 2024, respectively.

USNH had designated cash assets to fully fund the Additional Retirement Contribution obligations at June 30, 2025 and 2024. These assets are not administered through a trust. The Additional Retirement Contribution program is not available to employees hired after June 30, 2011. Eligible employees hired after June 30, 2011 may elect to participate in USNH's defined contribution retirement plans administered by others. Retirement contributions by USNH for employees enrolled in the defined contribution plans range from 4% to 10% of eligible salaries for enrolled participants. USNH additions to the defined contribution plans totaled \$27,799,000 and \$27,838,000 in 2025 and 2024, respectively. Retirement contributions by plan members totaled \$27,799,000 and \$29,591,000 in 2025 and 2024, respectively.

Early retirement and employee separation incentive programs were provided to various faculty and staff during 2025 and 2024. Such incentives include stipends, as well as medical, educational, and other termination benefits. The future cost associated with these incentive options is accrued as of the date of acceptance into the program. The liability balances of \$2,557,000 and \$3,434,000 at June 30, 2025 and 2024 represent obligations for 32 and 38 participants, respectively, which will be remitted in fiscal years 2026 and 2027.

USNH Board of Trustees approved voluntary separation incentive programs for reduction of force for 2021. Such incentives include salary continuation, year of service stipends, and medical benefits. As of June 30, 2024, the liability balance for these programs was \$7,217,000. The liability balance of \$1,306,000 at June 30, 2025, represents obligations for 126 participants, which will be remitted in fiscal years 2026 through 2027.

USNH sponsors other benefit programs for its employees, including long-term disability, workers' compensation, and compensated absences. Long-term disability payments are provided through an independent insurer. The associated medical benefits are accrued and paid by USNH until age 65, at which point the postretirement medical plan takes over, if applicable. Workers' compensation

accruals include amounts for medical costs and annual stipends. A small number

of chronic workers' compensation cases will require stipends and regular employee medical benefits for life. Coverage for such claims is provided through an independent insurer. USNH also accrues amounts for compensated absences as earned. These accrued balances at June 30 represent vacation and earned time amounts payable to employees upon termination of employment.

USNH is self-insured for a portion of certain risks, including workers' compensation, employee long-term disability, and certain student health insurance claims. Most employee and retiree medical and dental coverage provided by USNH is also self-insured. The costs of self-insured medical and dental claims and administrative fees totaled \$94,168,000 and \$76,984,000 for fiscal year 2025 and 2024, respectively. These amounts include \$4,814,000 and \$3,890,000 for estimated claims incurred but not reported as of June 30, 2025 and 2024, respectively.

In conjunction with the primary medical plan offering for active employees, USNH purchases stop-loss coverage which limits the USNH cost of claims to \$600,000 per participant in most cases. The liabilities recorded in the financial statements for all USNH self-insured programs are developed by third party claim administrators and based on historical claims data. Management reviewed the calculations for reasonableness and believes the liabilities are sufficient to cover the actual claims incurred.

In addition to the benefits accruals included above, USNH created and fully funded a trust to hold assets set aside for its **Operating Staff Retirement Plan** on June 29, 2017. The related asset and liability values are not included in the financial statements. The related investment balances as of June 30, 2025 and 2024 are summarized below *\$ in thousands*:

Trust Investment Components	2025	2024
Cash and equivalents	\$ 100	\$ 92
Fixed income	1,002	497
Equities	4,506	4,868
Total including accrued income	<u>\$5,608</u>	<u>\$5,457</u>

The plan has been closed to new participants since 1987. At June 30, 2025, there were approximately 129 current annuitants and three participants with deferred benefits, all fully vested. This compares to 138 current annuitants and three participants with deferred benefits as of June 30, 2024. The determination of total pension liabilities for this program was based on actuarial calculations completed by the plan trustee as of June 30, 2025 and 2024. The calculations were developed using the Entry Age Normal Actuarial Cost Method and the PubG-2010 Total Dataset with MP-2021 mortality tables. The discount rate used was 5.5% in both years based on the long-term expected rate of return on the related investments. The plan fiduciary net position was \$5,608,000 as of June 30, 2025 and \$5,457,000 as of June 30, 2024 which resulted in the recording of a net pension asset of \$1,510,000 and \$1,399,000 for fiscal years 2025 and 2024, respectively. The actuarially determined liability for the program was \$4,097,000 as of June 30, 2025 and \$4,058,000 as of June 30, 2024. If the discount rate were to increase by 1%, the net pension asset at June 30, 2025 would be \$1,804,000. Similarly, if the discount rate were to decrease by 1%, the net pension asset at June 30, 2025 would be \$1,171,000. The plan expense was \$53,000 and (\$17,000) for fiscal years 2025 and 2024, respectively.

7. Postretirement medical benefits

The primary defined benefit postretirement medical plan has two components. The first offering known as the Medicare Complementary Plan (MCP), was optional for full-time status employees hired before July 1, 1994 and not offered to new employees after that date. At December 31, 2024 and 2023, respectively, there were 821 and 844 former employees receiving benefits under this program along with their eligible dependents. As of December 31, 2024 and 2023, there were 38 and 48 active employees, respectively, who along with their dependents, may eventually be eligible to receive benefits under this program. The MCP provides limited medical coverage for the remaining life of the participants. There are no costs to participate in the plan, but retirees must pay a portion of the actual costs of services rendered.

Employees hired on July 1, 1994 or later are eligible for the current offering which provides bridge coverage only for retirees aged 62-65. Retired employees must have reached age 62, completed at least 10 years of benefits eligible service, participated in the active retirement plans during their last 10 years of benefits-eligible service, and participated in USNH's active medical plan at the time of retirement in order to be eligible for the plan. Retirees contribute to the plan at then-current employee medical rates during the bridge period. As of December 31, 2024 and 2023, respectively, there were 119 and 141 retirees receiving benefits under this program along with their dependents. As of December 31, 2024 and 2023, respectively, there were also 4,101 and 4,143 active employees who, along with their dependents, may eventually be eligible to receive benefits under this program. The primary postretirement medical plan holds no assets. Together, the above offerings constitute the primary postretirement medical plan. This is an Other Post-Employment Benefits (OPEB) single-employer plan and funded on a pay-as-you-go basis with benefits paid when due.

Third-party actuaries are used to determine the postretirement benefit obligation and annual expense amounts. Actuarial calculations reflect a long-term perspective. Such calculations involve estimates and, by definition, are subject to revision. The healthcare cost trend and discount rate assumptions have a significant effect on the amounts reported.

The components of postretirement medical liability as of June 30, 2025 and 2024 were as follows (*\$ in thousands*):

Postretirement Medical Plan Liability	2025	2024
Service costs	\$ 943	\$ 869
Interest	2,068	2,390
Benefit payments	(4,562)	(4,585)
Differences between expected and actual experience	–	(677)
Changes in assumptions	<u>(3,939)</u>	<u>1,089</u>
Net change	(5,490)	(914)
Liability at beginning of year	<u>64,746</u>	<u>65,660</u>
Liability at end of year	<u>\$59,256</u>	<u>\$64,746</u>
Current portion	<u>\$ 7,571</u>	<u>\$ 7,039</u>

The total postretirement benefit obligation is measured at December 31, 2024 for the June 30, 2025 financial statements based on the last biennial actuarial valuation, December 31, 2023, developed using the Entry Age Normal Actuarial Cost Method and the PubT.H-2010 mortality tables with Scale MP-2021. A roll forward calculation was performed for the December 31, 2024 measurement date. For measurement purposes, the 2025 and 2024 initial rate of increase in the cost of healthcare services was assumed to be 7.0% and 8.0% for participants, reduced by 0.25% each year thereafter until reaching an ultimate rate of 4.5% per year. The initial increase in the cost of prescriptions was assumed to be 10.0% for 2025 and 9.0% for 2024, reduced by 0.50% each year thereafter until reaching an ultimate rate of 4.5% per year. Salary increases of 3.0% were included in the calculations for fiscal year 2025 and 2024. A single discount rate of 4.08% and 3.726% was used based on the Bond Buyer 20-Bond General Obligation index rate as of December 31, 2024 and 2023, respectively. The actuarially determined postretirement medical expense for the plan for the years ended June 30, 2025 and 2024 were \$2,901,000 and \$2,023,000, respectively.

The following presents the sensitivity of the postretirement medical plan liability to changes in the discount rate and healthcare cost trend rates (*\$ in thousands*):

	Sensitivity to change in discount rate			Sensitivity to change in health care costs		
	1% increase	Current rate	1% decrease	1% increase	Current rate	1% decrease
OPEB liability as of December 31, 2024	\$54,985	\$59,256	\$64,117	\$64,471	\$59,256	\$54,692
OPEB liability as of December 31, 2023	\$59,716	\$64,746	\$70,514	\$70,223	\$64,746	\$59,969

The benefit payments subsequent to the measurement date for the years ended June 30, 2025 and 2024 were \$4,174,000 and \$4,007,000, respectively. The USNH Board of Trustees holds the authority to change these benefit plans at any time. Further information on the Additional Retirement Contribution, Operating Staff Retirement Plan, and Postretirement Medical Plan can be found in the Required Supplemental Information on page 34 of the publication.

8. Long-term debt

USNH long-term debt activity, exclusive of deferred losses or gains on refunding, for the years ended June 30, 2025 and 2024 is summarized below (*\$ in thousands*):

	Balance June 30, 2023	2024		Balance June 30, 2024	2025		Balance June 30, 2025	Current Portion
		Additions & Other Changes	Retirements		Additions & Other Changes	Retirements		
NHHEFA bonds								
Series 2014	\$ 4,715	\$-	\$ (2,335)	\$ 2,380	\$-	\$ (2,380)	\$ -	\$ -
Series 2015	98,290	-	(3,385)	94,905	-	(3,540)	91,365	3,720
Series 2016	38,970	-	(3,070)	35,900	-	(3,225)	32,675	3,395
Series 2017A	46,215	-	(2,140)	44,075	-	(2,250)	41,825	2,360
Series 2017B	39,875	-	(2,125)	37,750	-	(2,180)	35,570	2,245
Series 2023	115,430	-	-	115,430	-	(1,810)	113,620	2,605
Unamortized discounts/premiums, net	33,408	-	(2,845)	30,563	-	(2,844)	27,719	2,844
Financed purchases payable	<u>2,905</u>	<u>-</u>	<u>(1,397)</u>	<u>1,508</u>	<u>-</u>	<u>(1,462)</u>	<u>46</u>	<u>42</u>
Total bonds and financed purchases	<u>\$379,808</u>	<u>-</u>	<u>\$(17,297)</u>	<u>\$362,511</u>	<u>\$-</u>	<u>\$(19,691)</u>	<u>\$342,820</u>	<u>\$17,211</u>

New Hampshire Health and Education Facilities Authority (NHHEFA) Bonds

NHHEFA is a public body corporate and an agency of the State of New Hampshire whose primary purpose is to assist New Hampshire not-for-profit educational and health care institutions in the construction and financing (or refinancing) of related facilities. NHHEFA achieves this purpose primarily through the issuance of bonds. Since 1989 all USNH bonds have been issued through NHHEFA. None of USNH's NHHEFA bonds provide for a lien or mortgage on any property. USNH is obligated under the terms of the NHHEFA bonds to make payments from revenues received from certain housing, dining, student union, recreational, and other related revenue generating facilities financed by the bonds. The State is not liable for the payment of principal or interest on the NHHEFA bonds, nor is the State directly, indirectly or contingently obligated to levy or pledge any form of taxation whatsoever or to make any appropriation for their payment. USNH bond indentures have a provision that in an event of default resulting from a payment default by USNH the principal may be accelerated and become immediately due and payable, at par, with interest payable thereon to the accelerated payment date. USNH is in compliance with all covenants specified in the NHHEFA bond, as well as lease agreements, the most restrictive of which is maintenance of a debt-service coverage ratio, as defined, of at least 1.0 to 1.0.

USNH issued Series 2023 Bonds during the year ended June 30, 2023. The Series 2023 Bonds were issued in the amount of \$115,430,000 to refund the Series 2005A, 2005B and 2011B Bonds (\$103,575,000), to fund the termination of the related interest rate swap agreements (\$6,640,000), and to fund a residence hall renovation (\$25,630,000). All construction proceeds were spent as of June 30, 2025, and \$14,296,000 were unspent as of June 30, 2024, and held in reserve in accordance with the related debt agreements. The related investments are classified in Level 1 of the GASB fair value hierarchy because the underlying securities held by the bond trustee are valued based on quoted market prices.

Maturity dates and interest terms of outstanding debt issues are summarized below:

NHHEFA Bonds	Maturity Date	Interest Terms and Rates
Series 2015	7/1/2045	Fixed at 3.8%
Series 2016	7/1/2046	Fixed at 2.7%
Series 2017A	7/1/2037	Fixed at 3.1%
Series 2017B	7/1/2037	Fixed at 3.4%
Series 2023	7/1/2053	Fixed at 3.7%

Financed purchases

On April 30, 2004, USNH entered into a financed purchase agreement of \$18,292,000 to finance a portion of the costs of equipment housed in UNH's utility cogeneration facility. The related quarterly payments were completed in June 2025. A carrying value of \$421,000 remains and will be fully depreciated in the following year. The carrying value of all financed assets was \$520,000 and \$1,391,000 as of June 30, 2025 and 2024, respectively.

State of NH general obligation bonds

The State, through acts of its legislature, provides funding for certain major plant facilities on USNH campuses. The State obtains its funds for these construction projects from general obligation bonds, which it issues from time to time. Debt service is funded by the general fund of the State, which is in the custody of the State Treasurer. The State is responsible for all repayments of these bonds in accordance with bond indentures. USNH facilities are not pledged as collateral for these bonds and creditors have no recourse to USNH. Accordingly, the State's debt obligation attributable to USNH's educational and general facilities is not reported as debt of USNH. As USNH incurs construction expenditures on state-funded educational and general facilities, amounts are billed to the State and recorded as State of New Hampshire capital appropriations.

Maturity of long-term debt obligations

USNH long-term debt obligations are scheduled to mature as follows over the remaining terms of the individual issuances (*\$ in thousands*):

Fiscal Year	Principal	Interest	Total
2026	14,367	14,343	28,710
2027	14,949	13,635	28,584
2028	19,605	12,848	32,453
2029	20,490	11,920	32,410
2030	21,415	10,942	32,357
2031-2035	115,360	38,305	153,665
2036-2040	57,390	16,894	74,284
2041-2045	31,535	8,593	40,128
2046-2050	13,885	2,649	16,534
2051-2055	6,105	662	6,767
Plus: unamortized discounts/premiums, net	27,719	—	27,719
Total	\$342,820	\$130,791	\$473,611

Other long-term obligations

In addition to the long-term debt presented above, postretirement medical benefits liability in Note 7 and employment benefits liabilities in Note 6, USNH had the following changes in other long-term obligations (*\$ in thousands*):

	2024			2025			Balance June 30, 2025	Current Portion
	Balance June 30, 2023	Additions & Other Changes	Retirements	Balance June 30, 2024	Additions & Other Changes	Retirements		
Asset retirement and other obligations*	\$ 7,258	\$ 339	\$ (428)	\$ 7,169	\$ 339	\$ (428)	\$ 7,080	\$ 367
Refundable government advances	5,136	(87)	(1,663)	3,386	(87)	(1,663)	1,636	—
Long-term leases - real estate	38,027	(1,880)	(2,352)	33,795	3,053	(3,232)	33,616	2,506
Long-term leases - equipment	644	1,900	(547)	1,997	(4)	(403)	1,590	435
Long-term leases - subscriptions	44,594	7,720	(11,704)	40,610	10,853	(5,742)	45,721	4,578
Total other long-term obligations	\$95,659	\$7,992	\$(16,694)	\$86,957	\$14,154	\$(11,468)	\$89,643	\$7,886

*The current portion of these obligations is reported under accounts payable and accrued expenses.

See Note 9 for additional information on leases.

9. Leases and Subscriptions

Leases

USNH is a lessee for non-cancellable lease of equipment and real estate assets. A lease liability and an intangible right to use asset with initial, individual undiscounted payments over the term of the lease value of \$50,000 or more is recognized. At the commencement of a lease, the lease liability is measured at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is adjusted by lease amendments and the principal portion of lease payments made. The intangible right to use asset is initially measured as the amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the intangible right to use asset is amortized on a straight-line basis over its useful life. USNH uses its estimated incremental borrowing rate as the discount rate for leases which was 3.53% and 3.51% as of June 30, 2025 and 2024, respectively.

USNH entered into various leases for real estate and equipment. Of these leases, some agreements call for payments that are partially or completely variable and therefore were not included in intangible right of use assets, lease liabilities, lease receivables or deferred inflows - leases. These variable lease payments are derived from a percentage of sales or number of tickets sold. USNH had no reportable variable expense contracts as of June 30, 2025 and 2024. USNH recognized \$52,000 and \$72,000 in variable payment revenue as of June 30, 2025 and 2024, respectively.

The tables below represent the schedule of maturity for current Lessee and Lessor arrangements as of June 30, 2025 (*in thousands*):

Lessee Maturity Schedule

Fiscal Year	Principal	Interest	Total
2026	\$ 2,942	\$ 1,198	\$ 4,140
2027	2,942	1,094	4,036
2028	3,037	992	4,029
2029	2,900	880	3,780
2030	2,167	793	2,960
2031-2035	13,273	2,668	15,941
2036-2040	7,891	510	8,401
2041-2044	34	3	37
Total lessee	<u>\$35,186</u>	<u>\$8,138</u>	<u>\$43,324</u>

Lessor Maturity Schedule

Fiscal Year	Principal	Interest	Total
2026	\$ 215	\$ 34	\$ 249
2027	176	27	203
2028	164	21	185
2029	123	15	138
2030	132	11	143
2031-2035	17	40	57
2036-2040	20	37	57
2041-2045	24	33	57
2046-2050	29	29	58
2051-2055	34	23	57
2056-2060	41	16	57
2061-2065	49	8	57
2066-2067	22	1	23
Total lessor	<u>\$1,046</u>	<u>\$295</u>	<u>\$1,341</u>

Subscriptions

USNH is under contract for non-cancellable use of subscription assets. A subscription liability and an intangible right to use asset with initial, individual undiscounted payments over the term of the contract value of \$50,000 or more is recognized. At the commencement of a contract, the subscription liability is measured at the present value of payments expected to be made during the contract term. Subsequently, the subscription liability is adjusted by lease amendments and the principal portion of contract payments made. The intangible right to use asset is initially measured as the initial amount of the subscription liability plus any implementation costs. The asset is adjusted for contract amendments and amortized on a straight-line basis over its useful life. USNH uses its estimated incremental borrowing rate as the discount rate for leases which was 3.53% and 3.51% as of June 30, 2025 and 2024, respectively.

The table below represents the maturity of current subscription arrangements as of June 30, 2025 (*in thousands*):

Subscription Maturity Schedule

Fiscal Year	Principal	Interest	Total
2026	\$ 4,578	\$ 1,611	\$ 6,189
2027	4,447	1,498	5,945
2028	3,615	1,325	4,940
2029	3,079	1,198	4,277
2030	2,605	1,084	3,689
2031-2035	11,751	4,115	15,866
2036-2040	12,560	1,798	14,358
2041-2045	3,085	112	3,197
Total subscriptions	<u>\$45,720</u>	<u>\$12,741</u>	<u>\$58,461</u>

10. Deferred inflows and outflows of resources

The components of Deferred Inflows and Outflows of Resources as of June 30, 2025 and 2024 were as follows (\$ in thousands):

	2025	2024
Deferred outflows of resources		
Accounting loss on debt refinancing	\$ 8,298	\$ 9,125
Changes of assumptions:		
Postretirement Medical Plan	4,468	6,666
Additional Retirement Contribution Program	9	20
Net difference between projected and actual earnings:		
Operating Staff Retirement Plan	220	440
Difference between expected and actual experience:		
Postretirement Medical Plan	314	481
Additional Retirement Contribution Program	7	9
Benefit payments subsequent to the measurement date:		
Postretirement Medical Plan	3,618	4,007
Additional Retirement Contribution Program	60	95
Asset retirement obligations	<u>903</u>	<u>973</u>
Total deferred outflows of resources	<u>\$17,897</u>	<u>\$21,816</u>
Deferred inflows of resources		
Annuities unconditional remainder interest	\$ 2,849	\$ 2,447
Changes of assumptions:		
Postretirement Medical Plan	14,529	14,310
Additional Retirement Contribution Program	40	37
Net difference between projected and actual earnings:		
Operating Staff Retirement Plan	558	614
Difference between expected and actual experience:		
Postretirement Medical Plan	1,048	1,433
Additional Retirement Contribution Program	33	66
Deferred inflows - leases	<u>999</u>	<u>1,227</u>
Total deferred inflows of resources	<u>\$20,056</u>	<u>\$20,134</u>

The accounting loss on debt refinancing relates to the Series 2015 and 2023 bond issuances. These costs will be amortized as a component of interest expense over the remaining terms of the new debt. See Note 9 for additional information on leases.

Amounts reported as deferred outflows of resources related to benefit payments subsequent to the measurement date will be recognized as a reduction of the respective benefit liability in the year ended June 30, 2025. Other amounts

reported as deferred outflows and inflows of resources which are related to retirement programs will be recognized as a component of pension and OPEB expense over the next seven years as summarized below (in thousands):

Fiscal Year	Operating Staff Retirement Plan	Additional Retirement Contribution Program	Post-retirement Medical Plan
2026	\$ 35	\$ (45)	\$ (1,739)
2027	(185)	(12)	(2,197)
2028	(129)	–	(2,560)
2029	(59)	–	(2,015)
2030	–	–	(1,398)
2031	–	–	(464)
2032	–	–	(422)
Total	<u>\$(338)</u>	<u>\$(57)</u>	<u>\$(10,795)</u>

11. Pass-through grants

USNH distributed \$130,038,000 and \$139,029,000 of student loans through the US Department of Education Federal Direct Lending program during 2025 and 2024, respectively. These distributions and related funding sources are not included as expenses and revenues, or cash disbursements and cash receipts, in the accompanying financial statements. The Statements of Net Position include receivables of \$43,000 and \$49,000 as of June 30, 2025 and 2024, respectively, for direct loans disbursed in excess of US Department of Education receipts.

12. Endowment return used for operations

The objective of the annual spending formula for endowment return used for operations is to provide sustainable continued future support for ongoing programs at current levels assuming moderate inflation. To the extent that endowment yield is insufficient in any one year to meet the required spending distribution, accumulated net gains are utilized to fund the distribution. For the USNH pool, the distribution rate is established annually by the USNH Board of Trustees. For the USNH pool and the UNHF primary pool, the distribution rate was 5.4% and 5.25% as of December 31, 2023, respectively, and 5.2% and 5.25% as of December 31, 2022, respectively, calculated as a percentage of the average market value per unit for the previous twelve quarters.

The components of endowment return used for operations for 2025 and 2024 are summarized below (\$ in thousands):

Components of Endowment Payout	2025	2024
Pooled endowment yield - campuses	\$ 5,341	\$ 4,741
Pooled endowment yield - affiliates	1,569	1,361
Trusts, life income and annuities yield, net of gains utilized	575	590
Gains utilized to fund distribution - pooled campuses	22,712	21,907
Gains utilized to fund distribution - pooled affiliates	<u>14,669</u>	<u>13,391</u>
Endowment return used for operations	<u>\$44,866</u>	<u>\$41,990</u>

13. Operating expenses by function

The following tables summarize USNH's operating expenses by functional classification for the past two years (\$ in thousands):

	Compensation	Supplies & Services	Utilities	Internal Allocations	Depreciation/ Amortization	2025 Total
Campuses – current funds						
Instruction	\$208,379	\$ 18,741	\$ 26	\$ 2,743	\$ –	\$ 229,889
Auxiliary services	46,689	48,569	29	74,243	–	169,530
Research and sponsored programs	104,207	61,211	220	666	–	166,304
Academic support	51,161	15,562	3	6,535	–	73,261
Student services	41,959	15,705	–	2,136	–	59,800
Institutional support	67,129	26,083	82	(46,438)	–	46,856
Operations and maintenance	23,390	37,257	24,173	(42,383)	–	42,437
Fundraising and communications	9,185	5,158	–	1,429	–	15,772
Public service	<u>20,344</u>	<u>6,272</u>	<u>11</u>	<u>933</u>	<u>–</u>	<u>27,560</u>
Subtotal – current funds	572,443	234,558	24,544	(136)	–	831,409
Campuses - other funds	–	3,537	–	(49)	78,671	82,159
Affiliated entities	<u>9,939</u>	<u>1,045</u>	<u>–</u>	<u>185</u>	<u>–</u>	<u>11,169</u>
Total	<u>\$582,382</u>	<u>\$239,140</u>	<u>\$24,544</u>	<u>\$ –</u>	<u>\$78,671</u>	<u>\$924,737</u>

	Compensation	Supplies & Services	Utilities	Internal Allocations	Depreciation/ Amortization	2024 Total
Campuses – current funds						
Instruction	\$198,004	\$ 21,753	\$ 21	\$ –	\$ –	\$ 219,778
Auxiliary services	46,699	46,844	44	69,600	–	163,187
Research and sponsored programs	97,271	83,474	215	–	–	180,960
Academic support	66,888	22,423	–	–	–	89,311
Student services	36,408	20,599	–	–	–	57,007
Institutional support	62,884	11,436	80	(28,052)	–	46,348
Operations and maintenance	23,278	37,901	22,078	(41,548)	–	41,709
Fundraising and communications	8,891	4,524	–	6,877	–	20,292
Public service	<u>16,847</u>	<u>5,223</u>	<u>8</u>	<u>–</u>	<u>–</u>	<u>22,078</u>
Subtotal – current funds	557,170	254,177	22,446	6,877	–	840,670
Campuses - other funds	1,968	1,331	–	–	74,549	77,848
Affiliated entities	<u>9,098</u>	<u>7,308</u>	<u>–</u>	<u>(6,877)</u>	<u>–</u>	<u>9,529</u>
Total	<u>\$568,236</u>	<u>\$262,816</u>	<u>\$22,446</u>	<u>\$ –</u>	<u>\$74,549</u>	<u>\$928,047</u>

14. Net position

It is USNH's policy to use restricted funds before accessing unrestricted balances. The table below details USNH's net position as of June 30, 2025 and 2024 (\$ in thousands):

Components of Net Position	2025	2024
Net investment in capital assets	\$ 789,135	\$ 799,653
Restricted financial resources		
Nonexpendable		
Historic gift value of endowment - campuses	155,880	151,337
Historic gift value of endowment - affiliated entities	<u>213,208</u>	<u>200,712</u>
Total restricted nonexpendable resources	369,088	352,049
Expendable		
Held by campuses:		
Accumulated net gains on endowment	107,539	91,345
Fair value of restricted funds functioning as endowment	19,146	18,008
Gifts, grants and contracts, and pension assets	57,083	53,184
Life income and annuity funds	34	27
Loan funds	1,287	1,358
Held by affiliated entities:		
Accumulated net gains on endowment	93,477	74,923
Fair value of restricted funds functioning as endowment	65,187	61,565
Other	<u>19,680</u>	<u>17,325</u>
Total restricted expendable resources	363,433	317,735
Unrestricted financial resources		
Held by campuses:		
Educational and general reserves	(53,385)	(44,356)
Auxiliary enterprises	154,706	137,256
Internally designated reserves	165,036	158,248
Unrestricted loan funds	1,020	1,085
Unexpended plant funds	40,503	26,530
Fair value of unrestricted funds functioning as endowment	124,740	128,433
Other	1,172	1,225
Less: postretirement medical liability ⁽¹⁾	<u>(66,433)</u>	<u>(69,335)</u>
Held by affiliated entities:		
Fair value of unrestricted funds functioning as endowment	1,674	1,538
Other	<u>3,413</u>	<u>2,426</u>
Total unrestricted financial resources	372,446	343,050
Total net position	<u>\$1,894,102</u>	<u>\$1,812,487</u>

⁽¹⁾As discussed in Note 7, the 2025 and 2024 postretirement medical liability is shown net of the related deferred inflows and outflows of resources. See Note 10 for additional information in this regard.

15. Commitments and contingencies

USNH holds insurance for losses related to real property, as well as professional, environmental, and general liability claims. Property coverage is limited to \$500 million in the aggregate with varying deductible levels. Liability coverage and deductible levels are based on management's assessments of the risks of related losses. Settlements below the relevant deductible amounts are funded from unrestricted net position.

USNH makes expenditures in connection with restricted government grants and contracts, which are subject to final audit by government agencies. Management is of the opinion that the number of disallowances, if any, sustained through such audits would not materially affect the financial position, results of operations, or cash flows of USNH.

USNH is a defendant in various legal actions arising out of the normal course of its operations. Although the outcome of such actions cannot presently be determined, management is of the opinion that the eventual liability, if any, will not have a material effect on USNH's financial position, results of operations or cash flows.

16. Component units

Condensed information from the audited financial statements of the University of New Hampshire Foundation, Inc. (UNHF) is presented below (\$ in millions):

Condensed information from the Statements of Net Position as of June 30,	2025	2024
Endowment investments	\$ 354	\$ 323
Other assets	<u>24</u>	<u>20</u>
Total assets	<u>378</u>	<u>343</u>
Annuities payable	4	4
Other liabilities and deferred inflows of resources	<u>4</u>	<u>3</u>
Total liabilities and deferred inflows of resources	<u>8</u>	<u>7</u>
Total net position	<u>\$370</u>	<u>\$336</u>
Condensed information from the Statements of Revenues, Expenses and Changes in Net Position for the years ended June 30,	2025	2024
Gifts and other support	\$ 37	\$ 31
Investment income	<u>37</u>	<u>36</u>
Total revenues	<u>74</u>	<u>67</u>
Distributions to UNH	29	30
Administrative and other expenses	<u>11</u>	<u>11</u>
Total expenses	<u>40</u>	<u>41</u>
Increase in net position	<u>\$ 34</u>	<u>\$ 26</u>
Condensed information from the Statements of Cash Flows for the years ended June 30,	2025	2024
Receipts from gifts and other sources	\$ 31	\$ 24
Payments to UNH and suppliers	<u>(40)</u>	<u>(43)</u>
Net cash used in operating activities	(9)	(19)
Net cash provided by investing activities	6	8
Net cash provided by noncapital financing activities	<u>9</u>	<u>6</u>
Change in cash and equivalents	<u>\$ 6</u>	<u>\$ (5)</u>

A copy of the complete financial statements for UNHF can be obtained on its website at <https://www.unh.edu/give/financial-reports> or by contacting the Advancement Finance and Administration Office at (603) 862-1584.

17. Subsequent events

Management has evaluated the impact of subsequent events through the date that the financial statements were available for issuance (October 23, 2025), and concluded that no material events have occurred which would require recognition or disclosure.

Required Supplemental Information

(Unaudited)

Postretirement Medical Plan

Schedule of Changes in Total OPEB Liability and Related Ratios for the years ended June 30, (\$ in thousands):

	2025	2024	2023	2022	2021	2020	2019	2018
Service costs	\$ 943	\$ 869	\$ 1,103	\$ 1,132	\$ 1,143	\$ 1,247	\$ 1,359	\$ 1,416
Interest	2,068	2,390	1,579	1,792	2,444	3,339	2,024	\$3,627
Benefit payments	(4,562)	(4,585)	(4,577)	(5,337)	(4,795)	(5,084)	(6,381)	(6,923)
Differences between expected and actual experience	-	(677)	-	363	(999)	849	-	(1,511)
Change of benefit terms	-	-	-	-	(9,533)	(318)	-	-
Changes in assumptions ⁽¹⁾	(3,939)	1,089	(10,306)	(6,126)	7,336	7,664	(4,968)	(4,857)
Net change in postretirement medical liability	(5,490)	(914)	(12,201)	(8,176)	(4,404)	7,697	(6,966)	(8,248)
Total Postretirement Medical Plan liability-beginning of year	64,746	65,660	77,861	86,037	90,441	82,744	89,710	97,958
Total Postretirement Medical Plan liability-end of year	\$ 59,256	\$ 64,746	\$ 65,660	\$ 77,861	\$ 86,037	\$ 90,441	\$ 82,744	\$ 89,710
Current portion	\$ 7,571	\$ 7,039	\$ 7,148	\$ 7,201	\$ 5,342	\$ 4,412	\$ 5,331	\$ 5,837
Covered payroll	\$421,072	\$324,201	\$314,822	\$289,072	\$303,529	\$298,040	\$290,287	\$290,107
Total liability as a percentage of covered payroll	14.1%	20.0%	20.9%	26.9%	28.3%	30.3%	28.5%	30.9%

Additional Retirement Contribution (ARC) Program

Schedule of Changes in Total Pension Liability and Related Ratios for the years ended June 30, (\$ in thousands):

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Service costs	\$ 7	\$ 7	\$ 10	\$ 26	\$ 22	\$ 37	\$ 31	\$ 41	\$ 103
Interest	30	35	21	32	52	91	66	88	118
Benefit payments ⁽²⁾	(106)	(48)	(22)	(714)	(343)	(111)	(123)	(95)	(518)
Differences between expected and actual experience	-	11	-	(164)	-	(200)	-	(89)	(328)
Changes in assumptions	(20)	15	(61)	3	36	70	(97)	26	(5)
Net change in ARC liability	(89)	20	(52)	(817)	(233)	(113)	(123)	(29)	(630)
Total ARC liability at beginning of year	976	956	1,008	1,825	2,058	2,171	2,294	2,323	2,953
Total ARC liability at end of year	\$ 887	\$ 976	\$ 956	\$ 1,008	\$ 1,825	\$ 2,058	\$ 2,171	\$ 2,294	\$ 2,323
Current portion	\$ 71	\$ 105	\$ 56	\$ 42	\$ 865	\$ 217	\$ 200	\$ 95	\$ 455
Covered payroll	\$9,204	\$10,363	\$11,690	\$12,138	\$12,732	\$22,275	\$24,369	\$26,646	\$29,409
Total liability as a percentage of covered payroll	9.6%	9.4%	8.2%	8.3%	14.3%	9.2%	8.9%	8.6%	7.9%

Operating Staff Retirement Plan

Schedule of Changes in Net Pension Assets and Related Ratios for the years ended June 30, (\$ in thousands):

	2025	2024	2023	2022	2021	2020	2019	2018	2017 ⁽³⁾
Plan Fiduciary Net Position									
Beginning balance	\$5,458	\$ 5,410	\$ 5,307	\$ 6,549	\$ 5,863	\$ 6,186	\$6,376	\$6,700	\$ -
Employer contributions	-	-	-	-	-	-	-	-	6,700
Plan administrative costs	-	-	-	-	-	-	(13)	(13)	-
Net investment income	585	637	554	(754)	1,143	173	407	274	-
Benefit payments	(435)	(590)	(451)	(488)	(457)	(496)	(584)	(585)	-
Fiduciary net position	5,608	\$5,457	\$ 5,410	\$5,307	\$ 6,549	\$5,863	\$6,186	\$6,376	\$ 6,700
Total pension liability at end of year	(4,098)	(4,058)	(4,328)	(4,593)	(4,992)	(5,431)	(5,875)	(5,652)	(5,707)
Net pension asset	\$ 1,510	\$ 1,399	\$ 1,082	\$ 714	\$ 1,557	\$ 432	\$ 311	\$ 724	\$ 993
Plan net position as a percentage of total pension liability	136.9%	134.5%	125.0%	115.5%	131.2%	108.0%	105.3%	112.8%	117.4%
Plan Pension Liability									
Beginning balance	\$ (4,058)	\$ (4,328)	\$ (4,593)	\$ (4,992)	\$ (5,431)	\$ (5,875)	\$ (5,652)	\$ (5,707)	\$ (6,345)
Service costs	-	(1)	(1)	(1)	(6)	(7)	(3)	-	(20)
Interest, net of actuarial gain/loss	(207)	(319)	(185)	(79)	(41)	(65)	(290)	(292)	(298)
Benefit payments	434	590	451	488	457	496	584	585	956
Changes in assumptions	(266)	-	-	(9)	29	20	(514)	(238)	-
Total pension liability at end of year	\$ (4,097)	\$ (4,058)	\$ (4,328)	\$ (4,593)	\$ (4,992)	\$ (5,431)	\$ (5,875)	\$ (5,652)	\$ (5,707)
Covered payroll	-	\$ -	\$ 62	\$ 122	\$ 120	\$ 815	\$ 850	\$ 961	\$ 1,007
Net pension asset as a percentage of covered payroll	0.0%	0.0%	1745.2%	585.2%	1297.5%	53.0%	36.6%	75.3%	98.6%

See accompanying independent auditor's report.

Notes to Schedules:

⁽¹⁾ Changes in assumptions relate to discount rate changes. The rates were 4.0% for FY25, 3.3% for FY24, 3.7% for FY23, 2.1% for FY22, 2.1% for FY21, 2.7% for FY20, 4.1% for FY19, and 3.4% for FY18 based on a change in the related index. See Note 7 for additional information.

⁽²⁾ Fiscal year 2017 benefit payments included separation costs resulting in larger amounts.

⁽³⁾ Reflects payments and adjustments made before the establishment of the related trust on June 29, 2017.

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

The Governor and Legislative Fiscal
Committee, State of New Hampshire,
and The Board of Trustees
University System of New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the University System of New Hampshire (the System), a component unit of the State of New Hampshire, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the System's basic financial statements, and have issued our report thereon dated October 23, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

The Governor and Legislative Fiscal
Committee, State of New Hampshire,
and The Board of Trustees
University System of New Hampshire

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as 2025-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

The System’s Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the System’s response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The System’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

CliftonLarsonAllen LLP

Quincy, Massachusetts
REPORT DATE

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER
COMPLIANCE, AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

The Governor and Legislative Fiscal
Committee, State of New Hampshire,
and The Board of Trustees
University System of New Hampshire

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited University System of New Hampshire's (the System) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the System's major federal programs for the year ended June 30, 2025. The System's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2025-002 and 2025-006. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the System's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The System's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-002 and 2025-006 to be a significant deficiencies.

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

Government Auditing Standards requires the auditor to perform limited procedures on the System's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The System's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities, of the System as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the System's basic financial statements. We have issued our report thereon, dated October 23, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

CliftonLarsonAllen LLP

Quincy, Massachusetts
REPORT DATE

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
Research and Development						
Department of Agriculture (USDA)						
		Direct Awards	10.RD	Other Department of Agriculture Programs	-	144,170
		Direct Awards	10.001	Agricultural Research Basic and Applied Research	-	57,984
		Direct Awards	10.025	Plant and Animal Disease, Pest Control, and Animal Care	-	626,110
	Trustees of the University of Pennsylvania	587685	10.025	Plant and Animal Disease, Pest Control, and Animal Care	-	17,162
				Plant and Animal Disease, Pest Control, and Animal Care Total	-	643,272
	New Hampshire Department of Agriculture, Markets & Food	512474A	10.170	Specialty Crop Block Grant Program - Farm Bill	-	25,539
		Direct Awards	10.174	Acer Access Development Program	-	168,367
		Direct Awards	10.175	Farmers Market and Local Food Promotion Program	-	120,102
	State of Vermont	46728	10.176	Dairy Business Innovation Initiatives	8,192	72,109
	New Hampshire Department of Agriculture, Markets & Food	3132446	10.190	Resilient Food System Infrastructure Program	-	128,285
	Iowa State University	022798R	10.200	Grants for Agricultural Research, Special Research Grants	-	32,004
	Iowa State University	022798S	10.200	Grants for Agricultural Research, Special Research Grants	-	25,535
	University of Maryland	109913Z5220205	10.200	Grants for Agricultural Research, Special Research Grants	110,610	110,610
	University of Maryland	123463Z5220210	10.200	Grants for Agricultural Research, Special Research Grants	-	63,497
	University of Maryland	CON-00001580-Z2209101	10.200	Grants for Agricultural Research, Special Research Grants	-	6,568
				Grants for Agricultural Research, Special Research Grants Total	110,610	238,214
		Direct Awards	10.202	Cooperative Forestry Research	-	476,718
		Direct Awards	10.203	Payments to Agricultural Experiment Stations Under the Hatch Act	-	1,735,388
		Direct Awards	10.206	Grants for Agricultural Research - Competitive Research Grants	-	90,255
		Direct Awards	10.207	Animal Health and Disease Research	-	7,825
	Cornell University	147179Z22226	10.215	Sustainable Agriculture Research and Education	-	9,799
	Pennsylvania State University	S004813-LV	10.215	Sustainable Agriculture Research and Education	-	1,647
	University of Vermont	AWD00000495SUB00000377	10.215	Sustainable Agriculture Research and Education	-	5,207
	University of Vermont	GNE22289AWD00000495	10.215	Sustainable Agriculture Research and Education	-	3,410
	University of Vermont	LINE22436AWD00000495	10.215	Sustainable Agriculture Research and Education	-	85,268
	University of Vermont	LINE23459AWD00001024	10.215	Sustainable Agriculture Research and Education	-	99,972
	University of Vermont	LINE23476RAWWD00001024	10.215	Sustainable Agriculture Research and Education	39,561	79,756
	University of Vermont	SNE21008NH35383	10.215	Sustainable Agriculture Research and Education	-	17,099
				Sustainable Agriculture Research and Education Total	39,561	302,158
	eXtension Foundation	EXCB-2024-2558	10.229	Extension Collaborative on Immunization Teaching & Engagement	-	71,996
		Direct Awards	10.303	Integrated Programs	154,278	478,276
	University of Minnesota	A0010797502	10.307	Organic Agriculture Research and Extension Initiative	-	55,675
	University of Vermont	AWD00000591SUB00000266	10.307	Organic Agriculture Research and Extension Initiative	-	282,305
	University of Vermont	AWD00001531SUB00000505	10.307	Organic Agriculture Research and Extension Initiative	-	78,467
	Washington State University	145953-WSU001389	10.307	Organic Agriculture Research and Extension Initiative	-	25,326
				Organic Agriculture Research and Extension Initiative Total	-	441,773
	Purdue University	F0009858502008	10.309	Specialty Crop Research Initiative	-	10,751
	University of Maryland	132810-Z5426207	10.309	Specialty Crop Research Initiative	-	(4,846)
				Specialty Crop Research Initiative Total	-	5,905
		Direct Awards	10.310	Agriculture and Food Research Initiative (AFRI)	426,012	2,362,503
	Colby College	2021NIFACRS04	10.310	Agriculture and Food Research Initiative (AFRI)	-	259,609
	North Carolina State University	2019-1507-09	10.310	Agriculture and Food Research Initiative (AFRI)	-	58
	Pennsylvania State University	S002793USDA	10.310	Agriculture and Food Research Initiative (AFRI)	-	83,538
	West Virginia University	U23UNH	10.310	Agriculture and Food Research Initiative (AFRI)	-	3,189
				Agriculture and Food Research Initiative (AFRI) Total	426,012	2,708,897
	University of Vermont	AWD00000679SUB00000279	10.311	Beginning Farmer and Rancher Development Program	-	14,080
		Direct Awards	10.329	Crop Protection and Pest Management Competitive Grants Program	-	105,348
	University of Massachusetts Amherst	018444-9327	10.329	Crop Protection and Pest Management Competitive Grants Program	-	8,715
				Crop Protection and Pest Management Competitive Grants Program Total	-	114,063
	University of Maine System	UMS1395	10.330	Alfalfa and Forage Research Program	-	63,955
	Ohio State University	SPC1000012444IGR131136	10.333	Urban, Indoor, and Other Emerging Agricultural Production Research, Education, and Extension Initiative	-	66,109
	University of Delaware	UDR0000735	10.520	Agriculture Risk Management Education Partnerships Competitive Grants Program	-	5,734
	University of Vermont	AWD00000051SUB00000216	10.652	Forestry Research	-	21,497
	University of Vermont	AWD000001354SUB00000446	10.652	Forestry Research	-	25,799
	University of Vermont	AWD000001354SUB00000559	10.652	Forestry Research	22,967	39,980
	University of Vermont	AWD000001354SUB00000562	10.652	Forestry Research	-	64,853
	University of Vermont	AWD000001354SUB00000603	10.652	Forestry Research	-	80,462
	University of Vermont	AWD00000637SUB00000349	10.652	Forestry Research	-	37,016
	University of Vermont	AWD00000637SUB00000351	10.652	Forestry Research	25,605	82,986
	University of Vermont	AWD00000637SUB00000416	10.652	Forestry Research	-	44,692
	University of Vermont	AWD00001927SUB00000626	10.652	Forestry Research	-	14,185
		Direct Awards	10.652	Forestry Research	-	21,385
				Forestry Research Total	48,572	432,856

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
		Direct Awards	10.664	Cooperative Forestry Assistance	1,389	80,799
American Forest Foundation		14NN88	10.664	Cooperative Forestry Assistance	-	22,607
New Hampshire Dept of Natural and Cultural Resources		13C015	10.664	Cooperative Forestry Assistance	-	1,432
New Hampshire Dept of Natural and Cultural Resources		23DG1109420030	10.664	Cooperative Forestry Assistance	-	28,366
New Hampshire Division of Forest and Lands		23-DG-11094200-384	10.664	Cooperative Forestry Assistance	-	96,717
North East State Foresters Association		14BB39	10.664	Cooperative Forestry Assistance	-	(102)
		Cooperative Forestry Assistance Total			<u>1,389</u>	<u>229,819</u>
		Direct Awards	10.678	Forest Stewardship Program	-	63,006
		Direct Awards	10.679	Collaborative Forest Restoration	-	576
		Direct Awards	10.680	Forest Health Protection	-	32,386
State of Michigan		FRD-UJP-1010	10.682	National Forest Foundation	-	(101)
		Direct Awards	10.684	International Forestry Programs	106,454	346,989
Dartmouth College		R1658	10.684	International Forestry Programs	-	21,395
		International Forestry Programs Total			<u>106,454</u>	<u>368,384</u>
		Direct Awards	10.689	Community Forest and Open Space Conservation Program (CFP)	-	2,233
New Hampshire Department of Environmental Services		6/4/25 #58	10.691	Good Neighbor Authority	-	599
		Direct Awards	10.699	Partnership Agreements	-	43,632
		Direct Awards	10.707	Research Joint Venture and Cost Reimbursable Agreements	-	241,100
		Direct Awards	10.855	Distance Learning and Telemedicine Loans and Grants	-	6,898
		Direct Awards	10.907	Show Survey and Water Supply Forecasting	230,661	399,539
		Direct Awards	10.912	Environmental Quality Incentives Program	-	5,030
State University of New York (SUNY)		550117168292863	10.912	Environmental Quality Incentives Program	-	14,782
		Environmental Quality Incentives Program Total			<u>-</u>	<u>19,812</u>
Department of Agriculture (USDA) Total					<u>1,125,729</u>	<u>10,021,912</u>
Department of Commerce						
		Direct Awards	11.008	NOAA Mission-Related Education Awards	498,635	1,293,762
University of Washington		UWSC13813	11.011	Ocean Exploration	-	2,267
		Direct Awards	11.012	Integrated Ocean Observing System (IOOS)	4,660	54,558
Northeastern Regional Association of Coastal Ocean Observing Systems (IN21A013008)			11.012	Integrated Ocean Observing System (IOOS)	-	214,016
Northeastern Regional Association of Coastal Ocean Observing Systems (IN23A019003)			11.012	Integrated Ocean Observing System (IOOS)	-	38,168
Northeastern Regional Association of Coastal Ocean Observing Systems (IN24S022003)			11.012	Integrated Ocean Observing System (IOOS)	-	50,123
		Integrated Ocean Observing System (IOOS) Total			<u>4,660</u>	<u>356,865</u>
		Direct Awards	11.017	Ocean Acidification Program (OAP)	-	43,070
AT&T ENTERPRISES, LLC		0000012599	11.038	Public Wireless Supply Chain Innovation Fund Grant Program	-	17,054
		Direct Awards	11.400	Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	10,219	10,013,591
		Direct Awards	11.417	Sea Grant Support	145,259	1,839,148
North Carolina State University		2023068902	11.417	Sea Grant Support	-	17,819
North Carolina State University		PAM-P20-001734-SA02	11.417	Sea Grant Support	-	6,032
North Carolina State University		PAM-P23-001270-SA02	11.417	Sea Grant Support	-	12,641
Pennsylvania State University		S005248-LUM	11.417	Sea Grant Support	-	10,754
University of Connecticut		150442932	11.417	Sea Grant Support	-	3,228
University of Connecticut		165383095	11.417	Sea Grant Support	-	4,504
University of Maine System		UMS1407	11.417	Sea Grant Support	-	65,347
University of New Hampshire		NA22OAR4170124	11.417	Sea Grant Support	-	16,760
University of Southern Mississippi		8007015.01-01 A/O-53-C-ALA UNH	11.417	Sea Grant Support	44,203	122,292
		Sea Grant Support Total			<u>189,462</u>	<u>2,098,525</u>
National Estuarine Research Reserve System		NMS012	11.419	Coastal Zone Management Administration Awards	-	10,428
New Hampshire Department of Environmental Services		05292491	11.419	Coastal Zone Management Administration Awards	-	14,249
New Hampshire Department of Environmental Services		12162488	11.419	Coastal Zone Management Administration Awards	-	9,407
New Hampshire Department of Environmental Services		62624134	11.419	Coastal Zone Management Administration Awards	-	31,776
University of Michigan		SUBK00016449	11.419	Coastal Zone Management Administration Awards	2,669	54,409
University of Michigan		SUBK00020280	11.419	Coastal Zone Management Administration Awards	-	81,373
		Coastal Zone Management Administration Awards Total			<u>2,669</u>	<u>201,642</u>
		Direct Awards	11.420	Coastal Zone Management Estuarine Research Reserves	-	90,115
Cornell University		176241-23498	11.420	Coastal Zone Management Estuarine Research Reserves	-	80,043
		Coastal Zone Management Estuarine Research Reserves Total			<u>-</u>	<u>170,158</u>
		Direct Awards	11.427	Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	43,040	331,858
Cold Current Kelp LLC		23-0357	11.427	Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	-	96,680
National Estuarine Research Reserve System		2021501	11.427	Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	-	3,333
		Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program Total			<u>43,040</u>	<u>431,871</u>
		UMS1396	11.431	Climate and Atmospheric Research	-	2,017
University of Maine System		0007525	11.432	National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	6,647	1,275,385
University of Rhode Island		0010647/112224	11.432	National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes	-	346,687
University of Rhode Island				National Oceanic and Atmospheric Administration (NOAA) Cooperative Institutes Total	<u>6,647</u>	<u>1,622,072</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
MESO/Dauphin Island Sea Lab Foundation		IMTAP1UNH	11.454	Unallied Management Projects	-	115,131
		Direct Awards	11.457	Chesapeake Bay Studies	-	3,209
		Direct Awards	11.469	Congressionally Identified Awards and Projects	-	298,278
		Ducks Unlimited	76381	Office for Coastal Management	-	15,079
		National Fish & Wildlife Foundation	031822072853	Office for Coastal Management	-	337,156
		New Hampshire Department of Environmental Services	05292488	Office for Coastal Management	-	56,240
				Office for Coastal Management Total	-	408,475
		Direct Awards	11.478	Center for Sponsored Coastal Ocean Research Coastal Ocean Program	93,804	480,030
		Direct Awards	11.617	Congressionally-Identified Projects	-	512,401
		Direct Awards	11.619	Arrangements for Interdisciplinary Research Infrastructure	14,373	80,275
Department of Commerce Total					863,509	18,150,693
Department of Defense (DoD)		Direct Awards	12.RD	Other Department of Defense Programs	207,626	1,897,005
		Kitware Inc	K004435-00-S01	Other Department of Defense Programs	-	24,321
		Massachusetts Institute of Technology	7000640077	Other Department of Defense Programs	-	2,885
		Rogue Space Systems Corporation	LTR DTD 12/12/24	Other Department of Defense Programs	-	77,052
		Triton Systems Inc	TSI-5174-24-20216252	Other Department of Defense Programs	-	11,239
		University of Nebraska	4508111018201	Other Department of Defense Programs	-	101,403
		University of St. Andrews (Scotland)	14F223	Other Department of Defense Programs	-	3,465
		University of Washington	UWSC13232	Other Department of Defense Programs	-	4,099
		White River Technologies, Inc	W912HQ22C0090	Other Department of Defense Programs	-	60,482
				Other Department of Defense Programs Total	207,626	2,181,951
		National Ctr for Manufacturing Sciences Inc	2023166142357	Commercial Technologies for Maintenance Activities Program	-	1,381,036
		Direct Awards	12.300	Basic and Applied Scientific Research	2,219,487	6,180,382
		Brayton Energy LLC	14B337	Basic and Applied Scientific Research	-	28,290
		University of Florida	SUB80004489	Basic and Applied Scientific Research	-	7,298
		University of Florida	SUB80004815	Basic and Applied Scientific Research	-	3,615
				Basic and Applied Scientific Research Total	2,219,487	6,219,585
		Direct Awards	12.330	Science, Technology, Engineering & Mathematics (STEM) Education, Outreach and Workforce Program	-	159,848
		Direct Awards	12.420	Military Medical Research and Development	-	16,357
		Direct Awards	12.431	Basic Scientific Research	-	156,671
		Drexel University	940031	Basic Scientific Research	-	42,347
		Montana State University	G119-25-WB016	Basic Scientific Research	-	27,659
		Northeastern University	50407678050	Basic Scientific Research	-	(937)
		Northeastern University	504187-78050	Basic Scientific Research	-	18,945
University of Wisconsin	0000002832	Basic Scientific Research	-	153,798		
		Basic Scientific Research Total	-	398,483		
Direct Awards	12.630	Basic, Applied, and Advanced Research in Science and Engineering	-	166,834		
Advanced Regenerative Manufacturing Institute	01791530212159700001	Basic, Applied, and Advanced Research in Science and Engineering	-	427,487		
		Basic, Applied, and Advanced Research in Science and Engineering Total	-	594,321		
Direct Awards	12.800	Air Force Defense Research Sciences Program	-	253,883		
Department of Defense (DoD) Total				2,427,113	11,205,464	
Department of Education	New Hampshire Department of Education	Direct Awards	84.116	Fund for the Improvement of Postsecondary Education	-	535,198
		Direct Awards	05192184	Rehabilitation Services Vocational Rehabilitation Grants to States	-	69,075
		Direct Awards	84.184	School Safety National Activities	-	664,152
		Direct Awards	84.411	Education Innovation and Research (formerly Investing in Innovation (i3) Fund)	-	673,997
Department of Education Total					18,022	
Department of Energy		Direct Awards	81.RD	Other Department of Energy Programs	-	434,660
		Pennsylvania State University	S3002354USD0E	Office of Science Financial Assistance Program	-	375,305
		Stanford University	61351720-124215	Office of Science Financial Assistance Program	-	3,708
		University of California at Irvine	20211559	Office of Science Financial Assistance Program	-	80,116
		University of New Mexico	286092 - 87DL	Office of Science Financial Assistance Program	-	119,049
		Direct Awards	81.049	Office of Science Financial Assistance Program	937,037	3,529,269
				Office of Science Financial Assistance Program Total	937,037	4,107,447
		University of Illinois	10587218712	Renewable Energy Research and Development	-	(3,602)
		Direct Awards	81.087	Renewable Energy Research and Development	2,124,294	3,078,389
				Renewable Energy Research and Development Total	2,124,294	3,074,787
University of Texas at Austin	UTA15-001120	Fossil Energy Research and Development	-	114,052		
Ocean Renewable Power Company	SUB-23033	Advanced Research Projects Agency - Energy	-	62,553		
Department of Energy Total				3,061,331	7,793,499	
Department of Health and Human Services (HHS)	New Hampshire Department of Health & Human Services (DHHS)	10272124	93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	31,188	31,055
		University of Massachusetts Amherst	23017116800	Prevention of Disease, Disability, and Death by Infectious Diseases	-	40,070
		Dartmouth-Hitchcock Medical Center	GC1031801DGR15236	Enhance Safety of Children Affected by Substance Abuse	-	5,238
		New Hampshire Department of Health & Human Services (DHHS)	073119-017	Maternal and Child Health Federal Consolidated Programs	66,429	583,434
		Direct Awards	93.113	Environmental Health	-	38,266
		University of Chicago	G293UNH01	Injury Prevention and Control Research and State and Community Based Programs	-	154,354
		Direct Awards	93.136	Injury Prevention and Control Research and State and Community Based Programs	214,181	296,341
		Direct Awards	93.136	Injury Prevention and Control Research and State and Community Based Programs Total	214,181	450,695

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
		Direct Awards	93.173	Research Related to Deafness and Communication Disorders	-	187,310
	University of Alabama at Birmingham	000532514SC011	93.184	Disabilities Prevention	-	65,773
	Medical Care Development Global Health	14NMS1	93.211	Rural Telemedicine Grants	-	58,589
		Direct Awards	93.242	Mental Health Research Grants	335,561	944,387
	New Hampshire Department of Health & Human Services (DHHS)	512424	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	250,643
	University of Rhode Island	000987312212022	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	28,120
				Substance Abuse and Mental Health Services Projects of Regional and National Significance Total	-	278,763
		Direct Awards	93.262	Occupational Safety and Health Program	-	300,201
	Center for Innovative Public Health Research	14NM77	93.273	Alcohol Research Programs	-	24,358
	University of Florida	SUB00004028	93.273	Alcohol Research Programs	-	140,779
				Alcohol Research Programs Total	-	165,137
		Direct Awards	93.279	Drug Use and Addiction Research Programs	-	330,487
		Direct Awards	93.286	Discovery and Applied Research for Technological Innovations to Improve Human Health	111,282	496,186
	Memorial Sloan Kettering Cancer Center	PO #C22766925	93.393	Cancer Cause and Prevention Research	-	71,577
	University of Connecticut	UCHC7139188778	93.396	Cancer Biology Research	-	36,352
		Direct Awards	93.433	ACL National Institute on Disability, Independent Living, and Rehabilitation Research	205,639	1,771,837
		Direct Awards	93.493	Congressional Directives	-	82,942
	New Hampshire Developmental Disabilities Council	02082364	93.630	Developmental Disabilities Basic Support and Advocacy Grants	-	(1,955)
	New Hampshire Department of Health & Human Services (DHHS)	11102110	93.788	Opioid STR	-	185,943
		Direct Awards	93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	-	33,152
	Dartmouth College	R1401	93.859	Biomedical Research and Research Training	-	231,832
	Dartmouth College	R1418	93.859	Biomedical Research and Research Training	-	214,169
	Dartmouth College	R1421	93.859	Biomedical Research and Research Training	-	222,603
	Dartmouth College	R1649	93.859	Biomedical Research and Research Training	-	3,742
	Dartmouth College	R1653	93.859	Biomedical Research and Research Training	-	5,905
	Dartmouth College	R1654	93.859	Biomedical Research and Research Training	-	28,882
	Dartmouth College	R1656	93.859	Biomedical Research and Research Training	-	25,007
	Dartmouth College	R1697	93.859	Biomedical Research and Research Training	-	184
	Dartmouth College	R1733	93.859	Biomedical Research and Research Training	-	2,429
	Dartmouth College	R1739	93.859	Biomedical Research and Research Training	-	299
	Dartmouth College	R1836	93.859	Biomedical Research and Research Training	-	19,605
	Dartmouth College	R1837	93.859	Biomedical Research and Research Training	-	27,506
	Dartmouth College	R1840	93.859	Biomedical Research and Research Training	-	13,300
	Dartmouth College	R1862	93.859	Biomedical Research and Research Training	-	47,971
	Dartmouth College	R1864	93.859	Biomedical Research and Research Training	-	37,174
	Dartmouth College	R1865	93.859	Biomedical Research and Research Training	-	12,635
	Dartmouth College	R1869	93.859	Biomedical Research and Research Training	-	62,264
	Dartmouth College	R1879	93.859	Biomedical Research and Research Training	-	54,145
	Dartmouth College	R1900	93.859	Biomedical Research and Research Training	-	25,080
	Dartmouth College	SUBAWARD R1416-FY21	93.859	Biomedical Research and Research Training	-	121,828
		Direct Awards	93.859	Biomedical Research and Research Training	-	3,733,039
				Biomedical Research and Research Training Total	218,021	4,889,599
	Memorial Sloan Kettering Cancer Center	PO #C22548443	93.866	Aging Research	-	285,387
		Direct Awards	93.866	Aging Research	65,217	752,116
				Aging Research Total	65,217	1,037,503
		Direct Awards	93.867	Vision Research	-	886,244
	New Hampshire Department of Health & Human Services (DHHS)	062020-026	93.945	Assistance Programs for Chronic Disease Prevention and Control	6,681	157,890
Department of Health and Human Services (HHS) Total					1,254,199	12,926,675
Department of Homeland Security (DHS)		Direct Awards	97.RD	Other Department of Homeland Security Programs	-	90,842
	University of Alaska	P0577732	97.061	Centers for Homeland Security	-	502,948
	University of Alaska	P0577785	97.061	Centers for Homeland Security	-	21,436
				Centers for Homeland Security Total	-	524,384
	New Hampshire Department of Safety	122122123	97.067	Homeland Security Grant Program	-	854
	New Hampshire Department of Safety	EMW2022S50036	97.067	Homeland Security Grant Program	-	5,801
Department of Homeland Security (DHS) Total					-	6,655
Department of Justice (DOJ)		Direct Awards	16.026	OVW Research and Evaluation Program	15,488	82,834
		Direct Awards	16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	75,000	989,354
	Northeastern University	50463378051	16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	-	91,244
				National Institute of Justice Research, Evaluation, and Development Project Grants Total	75,000	1,080,598
		Direct Awards	16.582	Crime Victim Assistance/Discretionary Grants	-	144,550
	University of Houston	R-24-0187	16.831	Children of Incarcerated Parents	-	39,291
Department of Justice (DOJ) Total					90,488	1,347,273
Department of the Interior		Direct Awards	15.RD	Other Department of Interior Programs	(1,170)	(1,170)
	Maine Outdoor Heritage Fund	241-03-02	15.RD	Other Department of Interior Programs	-	25,200
				Other Department of Interior Programs Total	(1,170)	24,030

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
	University of Maine System	UMS2270	15.423	Bureau of Ocean Energy Management (BOEM) Environmental Studies (ES)	-	63,434
	New Hampshire Fish & Game Department	04082025 #61	15.634	State Wildlife Grants	-	36,460
	State of South Carolina Department of Natural Resources	SCDNR FY2025-024	15.634	State Wildlife Grants	-	20,524
				State Wildlife Grants Total	-	56,984
	National Fish & Wildlife Foundation	Direct Awards 81674	15.655 15.663	Migratory Bird Monitoring, Assessment and Conservation NFWF-USFWS Conservation Partnership	- 9,341	228,244 23,719
		Direct Awards	15.670	Adaptive Science	-	22,106
		Direct Awards	15.805	Assistance to State Water Resources Research Institutes	83,097	194,593
	AmericaView Inc	Direct Awards AV23NH01	15.808 15.815	U.S. Geological Survey Research and Data Collection National Land Remote Sensing Education Outreach and Research	- -	290,097 33,727
		Direct Awards	15.945	Cooperative Research and Training Programs – Resources of the National Park System	12,796	63,995
		Direct Awards	15.954	National Park Service Conservation, Protection, Outreach, and Education	-	29,051
	Lamprey River Advisory Committee	14NP39	15.962	National Wild and Scenic Rivers System	-	6,721
	Department of the Interior Total				104,084	1,036,701
	Department of the Treasury					
	New Hampshire Department of Agriculture, Markets & Food	11132437B	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	-	189,863
	New Hampshire Department of Business & Economic Affairs	62624106	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	-	97,926
	New Hampshire Department of Justice (Attorney General)	061423157	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	-	2,331
	New Hampshire Department of Environmental Services	05182280	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	-	29,613
	Weston & Sampson Engineers, Inc.	ENG232827	21.027	CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	-	70,806
	Department of the Treasury Total			CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS Total	-	390,539
	Department of Transportation (DOT)				-	390,539
	State of Vermont Agency of Transportation	PS0879	20.RD	Other Department of Transportation Programs	-	13,785
		Direct Awards	20.108	Aviation Research Grants	-	87,333
	State of Vermont Agency of Transportation	GR1850	20.200	Highway Research and Development Program	-	89,437
	Braun Intertec	14B861	20.205	Highway Planning and Construction	-	769
	City of Dover New Hampshire	24-3545	20.205	Highway Planning and Construction	-	67,968
	New Hampshire Department of Transportation	04122340	20.205	Highway Planning and Construction	-	79,969
	New Hampshire Department of Transportation	061423119	20.205	Highway Planning and Construction	-	53,768
	New Hampshire Department of Transportation	09202363	20.205	Highway Planning and Construction	-	640,204
	State of Minnesota Dept of Transportation	1036343	20.205	Highway Planning and Construction	-	97,417
	State of Minnesota Dept of Transportation	1036343WORKORDERNUMBER8	20.205	Highway Planning and Construction	-	38,027
	State of Minnesota Dept of Transportation	1058751	20.205	Highway Planning and Construction	-	5,458
	University of New Hampshire	42372P	20.205	Highway Planning and Construction	-	15,464
				Highway Planning and Construction Total	-	999,044
	University of Massachusetts Amherst	0177759087	20.701	University Transportation Centers Program	-	123,374
	Department of Transportation (DOT) Total				-	1,312,973
	Department of Veterans Affairs (VA)				-	41,344
	Department of Veterans Affairs (VA) Total				-	41,344
	Environmental Protection Agency (EPA)				-	149,823
		Direct Awards	66.RD	Other Environmental Protection Agency Programs	-	57,677
		Direct Awards	66.042	Temporally Integrated Monitoring of Ecosystems (TIME) and Long-Term Monitoring (LTM) Program	3,564	50,900
	University of Southern Maine	USM-2344	66.129	Geographic Programs - Southeast New England Coastal Watershed Restoration Program	-	130,624
		Direct Awards	66.129	Geographic Programs - Southeast New England Coastal Watershed Restoration Program	-	181,524
		Direct Awards	66.202	Geographic Programs - Southeast New England Coastal Watershed Restoration Program Total	-	96,416
	University of Southern Maine	USM2485	66.203	Congressionally Mandated Projects	-	27,539
		Direct Awards	66.456	Environmental Finance Center Grants	-	815,628
	University of New Hampshire	00A01381	66.456	National Estuary Program	-	23,786
	University of New Hampshire	L0426	66.456	National Estuary Program	-	9,016
				National Estuary Program Total	-	848,430
	New Hampshire Department of Environmental Services	092023121	66.460	Nonpoint Source Implementation Grants	-	31,620
	New Hampshire Department of Environmental Services	081722041	66.605	Performance Partnership Grants	14,800	14,800
	eXtension Foundation	PSEFMP-2024-2427	66.716	Research, Development, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	-	12,375
	Environmental Protection Agency (EPA) Total				18,364	1,420,204
	National Foundation on the Arts and Humanities (NEA / NEH) Total				-	1,059
	National Foundation on the Arts & Humanities (NEA / NEH) Total				-	1,059
	National Science Foundation (NSF)				491,334	1,284,705
	Purdue University	Direct Awards 10001558-028	47.041 47.041	Engineering Engineering	- -	5,979
				Engineering Total	491,334	1,290,684
		Direct Awards	47.049	Mathematical and Physical Sciences	-	458,915
	California State University, Sacramento	537551A	47.049	Mathematical and Physical Sciences	-	9,221
		Direct Awards	47.050	Mathematical and Physical Sciences Total	-	468,136
				Geosciences	208,481	4,723,525

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
	Boston University	4500004960	47.050	Geosciences	-	11,430
	Boston University	4500005307	47.050	Geosciences	-	55,211
	Columbia University	118CGG00939304	47.050	Geosciences	-	6,553
	Dartmouth College	R1150	47.050	Geosciences	-	56,147
	Duke University	333-000307	47.050	Geosciences	-	40,168
	Embry-Riddle Aeronautical University	GC87217-S1	47.050	Geosciences	-	32,114
	Marine Biological Laboratory	54607	47.050	Geosciences	-	68,091
	Middlebury College	2024-0084	47.050	Geosciences	-	41,689
	Tufts University	EP0239264	47.050	Geosciences	-	9,862
	University of Michigan	SUBK00021337	47.050	Geosciences	-	20,215
	University of Texas	UTAUSUB00000261	47.050	Geosciences	-	54,269
				Geosciences Total	208,481	5,119,274
		Direct Awards	47.070	National Science Foundation Computer and Information Science and Engineering	-	862,770
		Direct Awards	47.074	Biological Sciences	-	1,087,668
	Cary Institute of Ecosystem Studies	3340/200201862/1637685	47.074	Biological Sciences	-	41
	Cary Institute of Ecosystem Studies	3340-200201866	47.074	Biological Sciences	-	72,527
	Cary Institute of Ecosystem Studies	3540200202139	47.074	Biological Sciences	-	209,654
	Cary Institute of Ecosystem Studies	3540200202146	47.074	Biological Sciences	-	22,110
	Harvard University	131721-5109142	47.074	Biological Sciences	-	202,655
	Harvard University	1442555118457	47.074	Biological Sciences	-	8,271
	Middlebury College	20190137UNH	47.074	Biological Sciences	-	66,744
	Ohio State University	/ GR133827	47.074	Biological Sciences	-	43,283
	Ohio State University	SPC-1000005222 GR121054	47.074	Biological Sciences	33,917	469,030
	University of Cincinnati	01363800002	47.074	Biological Sciences	-	(1,262)
	University of Puerto Rico	2019001	47.074	Biological Sciences	-	159,549
	University of Texas	226101113D	47.074	Biological Sciences	-	2,729
	Virginia Institute Marine Science	722894712683	47.074	Biological Sciences	-	37,141
				Biological Sciences Total	33,917	2,380,220
		Direct Awards	47.075	Social, Behavioral, and Economic Sciences	-	25,672
	Northwestern University	60066998 UNH	47.075	Social, Behavioral, and Economic Sciences	-	37,950
				Social, Behavioral, and Economic Sciences Total	-	63,622
		Direct Awards	47.076	STEM Education (formerly Education and Human Resources)	12,426	2,580,795
	University of New Mexico	03633987DL	47.076	STEM Education (formerly Education and Human Resources)	-	13,063
				STEM Education (formerly Education and Human Resources) Total	12,426	2,593,858
		Direct Awards	47.078	Polar Programs	-	648,350
	Dartmouth College	R1875	47.078	Polar Programs	-	58,292
	University of San Francisco	425115-A	47.078	Polar Programs	-	17,639
				Polar Programs Total	-	724,481
		Direct Awards	47.079	Office of International Science and Engineering	-	348,155
	Purdue University	10001765037	47.079	Office of International Science and Engineering	-	24,633
				Office of International Science and Engineering Total	-	372,788
		Direct Awards	47.083	Integrative Activities	666,488	3,684,878
	Brown University	00001451	47.083	Integrative Activities	-	10,558
	Brown University	00002466	47.083	Integrative Activities	-	136,788
	Dartmouth College	R1301	47.083	Integrative Activities	-	348,596
	Ouachita Baptist University	2316122	47.083	Integrative Activities	-	21,032
	University of Alaska	P0540425	47.083	Integrative Activities	-	1,134
	University of Louisiana	33017505	47.083	Integrative Activities	-	8,329
	University of Maine System	UMS1228	47.083	Integrative Activities	-	5,667
	University of Maine System	UMS1378	47.083	Integrative Activities	-	34,269
	University of Maine System	UMS1399	47.083	Integrative Activities	-	339,561
	University of New Hampshire	19-010	47.083	Integrative Activities	-	49,000
	University of New Hampshire	2412054	47.083	Integrative Activities	-	4,218
	University of New Hampshire	PZ0371	47.083	Integrative Activities	-	15,642
				Integrative Activities Total	666,488	4,660,092
		Direct Awards	47.084	NSF Technology, Innovation, and Partnerships	-	324,322
	Massachusetts Institute of Technology	s6584 PO# 1190542	47.084	NSF Technology, Innovation, and Partnerships	-	35,758
	Northern Forest Center Inc	GBNGC495XA67	47.084	NSF Technology, Innovation, and Partnerships	-	66,788
				NSF Technology, Innovation, and Partnerships Total	-	426,868
	National Science Foundation (NSF) Total				1,412,646	18,962,793
	Smithsonian Institution	Direct Awards	43.RD	Other National Aeronautics and Space Administration Programs	1,900,853	4,012,010
	Johns Hopkins University	169920	43.RD	Other National Aeronautics and Space Administration Programs	1,886,185	4,216,259
	Princeton University	SUB0000601	43.RD	Other National Aeronautics and Space Administration Programs	-	18,024
	Southwest Research Institute (SWRI)	4998790	43.RD	Other National Aeronautics and Space Administration Programs	1,226,883	2,362,000
	Southwest Research Institute (SWRI)	A98200MO	43.RD	Other National Aeronautics and Space Administration Programs	-	375,073
	University of California at Berkeley (UCB)	00007549	43.RD	Other National Aeronautics and Space Administration Programs	-	423,315
	University of California at Berkeley (UCB)	SA405826326	43.RD	Other National Aeronautics and Space Administration Programs	-	72,035
	University of Iowa	S01192-01	43.RD	Other National Aeronautics and Space Administration Programs	-	74,810
				Other National Aeronautics and Space Administration Programs Total	5,013,921	11,553,526

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
		Direct Awards	43.001	Science	9,210,891	18,660,111
	Battelle	US001000806056	43.001	Science	-	30,649
	Boston University	4500004097	43.001	Science	-	49,853
	Boston University	4500004192	43.001	Science	-	25,007
	Carnegie Mellon University	111024438403	43.001	Science	-	15,273
	Carnegie Mellon University	1110245439458	43.001	Science	-	235,674
	Dartmouth College	R1811	43.001	Science	-	81,269
	Florida Institute of Technology	AWD-000540	43.001	Science	-	9,951
	Johns Hopkins University	149961	43.001	Science	-	148,604
	Johns Hopkins University	178737	43.001	Science	-	285,238
	Montana State University	G35822W9649	43.001	Science	-	58,641
	National Space Grant Foundation	NEBP-112	43.001	Science	-	528
	Oregon State University	NS371C-B	43.001	Science	-	23,644
	Predictive Science Inc	22NAEP01	43.001	Science	-	39,190
	Predictive Science Inc	22NAJL11	43.001	Science	-	55,017
	Princeton University	SUB0000156	43.001	Science	-	325,981
	Princeton University	SUB0000191	43.001	Science	-	200,429
	Princeton University	SUB0000398	43.001	Science	-	203,992
	Smithsonian Institution	SV1-41018	43.001	Science	-	38,321
	Southwest Research Institute (SwRI)	N99061EH	43.001	Science	-	8,648
	Southwest Research Institute (SwRI)	N99071EH	43.001	Science	-	542,794
	Southwest Research Institute (SwRI)	T99263LJ	43.001	Science	-	181,880
	Stevens Institute of Technology	210319602	43.001	Science	-	48,398
	The Aerospace Corporation	4500303508	43.001	Science	-	68,152
	University Corporation for Atmospheric Research (Colorado)	SUBAWD001521	43.001	Science	-	163,201
	University of Colorado	1557958	43.001	Science	-	11,925
	University of Colorado	1561449	43.001	Science	-	120,228
	University of Delaware	UDR0000586	43.001	Science	-	2,600
	University of Hawaii	MA1922	43.001	Science	-	8,354
	University of Hawaii	MA2031	43.001	Science	-	26,883
	University of Illinois	115672-19964	43.001	Science	-	225,428
	University of Iowa	S0230301	43.001	Science	-	29,777
	University of Maryland	139900-Z6597201	43.001	Science	-	11,834
	University of Maryland	NASA009201	43.001	Science	-	(710)
	University of Minnesota	A010228102	43.001	Science	-	29,851
	University of Texas	24033-84503-2	43.001	Science	-	1,924
	University of Toledo	F-2017-131	43.001	Science	-	44,090
	University of Washington	UWSC11897	43.001	Science	-	21,978
	University of Washington	UWSC13513	43.001	Science	-	29,500
	Washington University in St Louis	WU-24-0464	43.001	Science	-	45,561
				Science Total	9,210,891	22,109,668
		Direct Awards	43.003	Exploration	566,374	920,805
	University of New Hampshire	UNH SUB# L0084	43.003	Exploration	-	85,462
				Exploration Total	566,374	1,006,267
		Direct Awards	43.008	Office of Stem Engagement (OSTEM)	309,056	438,191
					15,100,242	35,107,652
	Smithsonian Institution Total					
	Social Security Administration					
	University of Michigan	SUBK00021231	96.007	Social Security Research and Demonstration	-	43,851
	Social Security Administration Total					43,851
	Research and Development Cluster Total				25,457,685	122,344,957
SNAP Cluster	Department of Agriculture (USDA)					
	New Hampshire Department of Health & Human Services (DHHS)	10042315	10.561	State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	-	1,007,122
	Department of Agriculture (USDA) Total					1,007,122
	SNAP Cluster Cluster Total					1,007,122
Child Nutrition Cluster	Department of Agriculture (USDA)					
	New Hampshire Department of Education	13D103	10.559	Summer Food Service Program for Children	-	15,165
	Department of Agriculture (USDA) Total					15,165
	Child Nutrition Cluster Cluster Total					15,165
Economic Development Cluster	Department of Commerce					
	Southern New Hampshire University	PO00027632	11.307	Economic Adjustment Assistance	-	658,816
	Department of Commerce Total					658,816
	Economic Development Cluster Cluster Total					658,816

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
Fish and Wildlife Cluster						
Department of the Interior						
	New Hampshire Fish & Game Department	121824	15.605	Sport Fish Restoration	-	59,341
	New Hampshire Fish & Game Department	04202269	15.611	Wildlife Restoration and Basic Hunter Education and Safety	-	79,716
	New Hampshire Fish & Game Department	06012268	15.611	Wildlife Restoration and Basic Hunter Education and Safety	-	73,197
	New Hampshire Fish & Game Department	062823139	15.611	Wildlife Restoration and Basic Hunter Education and Safety	-	215,602
	New Hampshire Fish & Game Department	1/10/24 Item #33	15.611	Wildlife Restoration and Basic Hunter Education and Safety	-	339,266
	New Hampshire Fish & Game Department	92524101	15.611	Wildlife Restoration and Basic Hunter Education and Safety	-	39,428
	Wildlife Management Institute	NEC RPR3 CESU 2024-06	15.611	Wildlife Restoration and Basic Hunter Education and Safety	-	28,814
				Wildlife Restoration and Basic Hunter Education and Safety Total	-	776,023
	Department of the Interior Total				-	835,364
Fish and Wildlife Cluster Cluster Total						
Federal Transit Cluster						
Department of Transportation (DOT)						
		Direct Awards	20.507	Federal Transit Formula Grants	-	50,408
		Direct Awards	20.526	Buses and Bus Facilities Formula, Competitive, and Low or No Emissions Programs	-	25,582
	Department of Transportation (DOT) Total				-	75,990
Federal Transit Cluster Cluster Total						
Highway Safety Cluster						
Department of Transportation (DOT)						
	New Hampshire Department of Safety	4102495	20.616	National Priority Safety Programs	-	29,522
	Department of Transportation (DOT) Total				-	29,522
Highway Safety Cluster Cluster Total						
Student Financial Aid						
Department of Education						
		Direct Awards	84.038	Federal Perkins Loan Program	-	3,017,100
		Direct Awards	84.268	Federal Direct Student Loans	-	137,415,569
		Direct Awards	84.007	Federal Supplemental Educational Opportunity Grants	-	2,980,109
		Direct Awards	84.033	Federal Work-Study Program	-	2,242,642
		Direct Awards	84.063	Federal Pell Grant Program	-	28,677,689
	Department of Education Total				-	174,333,109
Student Financial Aid Cluster Total						
TRIO Cluster						
Department of Education						
		Direct Awards	84.042	TRIO Student Support Services	-	1,181,433
		Direct Awards	84.044	TRIO Talent Search	-	647,310
		Direct Awards	84.047	TRIO Upward Bound	-	1,142,649
		Direct Awards	84.217	TRIO McNair Post-Baccalaureate Achievement	-	361,932
	Department of Education Total				-	3,333,324
TRIO Cluster Cluster Total						
Aging Cluster						
Department of Health and Human Services (HHS)						
	Lamprey Health Care	14N001	93.044	Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	-	69,507
	Department of Health and Human Services (HHS) Total				-	69,507
Aging Cluster Cluster Total						
CCDF Cluster						
Department of Health and Human Services (HHS)						
	Illinois State University	38700004K	93.575	Child Care and Development Block Grant	-	51,329
	Keene State College	F20328	93.575	Child Care and Development Block Grant	499,983	499,983
	New Hampshire Department of Health & Human Services (DHHS)	06282318	93.575	Child Care and Development Block Grant	170,065	239,356
	New Hampshire Department of Health & Human Services (DHHS)	13H405	93.575	Child Care and Development Block Grant	-	26,356
	New Hampshire Department of Health & Human Services (DHHS)	53H002	93.575	Child Care and Development Block Grant	-	902,145
	New Hampshire Department of Health & Human Services (DHHS)	53H003	93.575	Child Care and Development Block Grant	-	11,578
	New Hampshire Department of Health & Human Services (DHHS)	53H006	93.575	Child Care and Development Block Grant	-	5,932
	New Hampshire Department of Health & Human Services (DHHS)	63H008	93.575	Child Care and Development Block Grant	-	18,176
	New Hampshire Department of Health & Human Services (DHHS)	64H004	93.575	Child Care and Development Block Grant	-	3,009
	New Hampshire Department of Health & Human Services (DHHS)	Check #3795186	93.575	Child Care and Development Block Grant	-	4,019
	New Hampshire Department of Health & Human Services (DHHS)	NONE	93.575	Child Care and Development Block Grant	-	2,744
		Direct Awards	93.575	Child Care and Development Block Grant	-	16,974
	Department of Health and Human Services (HHS) Total				670,048	1,781,679
CCDF Cluster Cluster Total						
Health Center Program Cluster						
	Lamprey Health Care	LTR DTD 4/7/2025	93.527	Grants for New and Expanded Services under the Health Center Program	-	6,916
	Department of Health and Human Services (HHS) Total				-	6,916
Health Center Program Cluster Cluster Total						

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
Other awards						
Department of Agriculture (USDA)						
	New Hampshire Department of Transportation	09062323	10.U01	Other Department of Agriculture Programs	-	1,154
	University of Vermont	224192	10.001	Agricultural Research Basic and Applied Research	-	(68)
	University of Delaware	UDR0000336	10.146	Farm Service Agency Taxpayer Outreach Education and Technical Assistance (American Rescue Plan Assistance)	-	4,956
	New Hampshire Department of Agriculture, Markets & Food	131202455	10.170	Specialty Crop Block Grant Program - Farm Bill	-	29,391
	New Hampshire Department of Agriculture, Markets & Food	541312024	10.170	Specialty Crop Block Grant Program - Farm Bill	-	48,466
				Specialty Crop Block Grant Program - Farm Bill Total	-	77,857
	National 4-H Council	20223-266	10.215	Sustainable Agriculture Research and Education	-	9,141
	University of Vermont	SNE24-008-NH-AWD00001359	10.215	Sustainable Agriculture Research and Education	-	34,321
				Sustainable Agriculture Research and Education Total	-	43,462
	University of Maine System	UMS1425	10.304	Food and Agriculture Defense Initiative (FADI)	-	19,242
	Direct Awards		10.311	Beginning Farmer and Rancher Development Program	-	46,899
	University of Maine System	UMS1327	10.328	Food Safety Outreach Program	-	9,932
	Direct Awards		10.329	Crop Protection and Pest Management Competitive Grants Program	-	36,145
	Direct Awards		10.351	Rural Business Development Grant	-	34,966
	Direct Awards		10.500	Cooperative Extension Service	2,541,620	2,711,526
	Direct Awards		10.511	Smith-Lever Extension Funding	-	2,019,146
	Direct Awards		10.514	Expanded Food and Nutrition Education Program	-	290,971
	Direct Awards		10.515	Renewable Resources Extension Act	-	43,299
	Direct Awards		10.519	Equipment Grants Program (EGP)	-	48,380
	University of Delaware	UDR0000524	10.520	Agriculture Risk Management Education Partnerships Competitive Grants Program	-	7,755
	Northeast Organic Farming Association of Vermont Inc	14ANN93	10.575	Farm to School Grant Program	-	2,723
	Direct Awards		10.664	Cooperative Forestry Assistance	-	2,577
	New Hampshire Dept of Natural and Cultural Resources	Federal Award Id Number 24-DG-11094200-245	10.664	Cooperative Forestry Assistance	-	62,540
	New Hampshire Division of Forest and Lands	23-DG-11094200-384	10.664	Cooperative Forestry Assistance	-	29,578
				Cooperative Forestry Assistance Total	-	95,095
	Direct Awards		10.678	Forest Stewardship Program	-	567
	Direct Awards		10.680	Forest Health Protection	-	140,976
	Direct Awards		10.684	International Forestry Programs	-	45,000
	Direct Awards		10.698	State & Private Forestry Cooperative Fire Assistance	-	43,210
	Direct Awards		10.699	Partnership Agreements	-	50,197
	Direct Awards		10.731	Inflation Reduction Act Landscape Scale Restoration	-	71,414
	Direct Awards		10.890	Rural Development Cooperative Agreement Program	-	133,217
	Direct Awards		10.902	Soil and Water Conservation	-	26,059
	Direct Awards		10.912	Environmental Quality Incentives Program	-	3,688
					2,541,620	6,007,788
Department of Agriculture (USDA) Total						
Department of Commerce						
	North American Association for Environmental Education	14NP83	11.008	NOAA Mission-Related Education Awards	-	15,767
	Northeastern Regional Association of Coastal Ocean Observing Systems (IN21A013011)		11.012	Integrated Ocean Observing System (IOOS)	-	9,503
	Northeastern Regional Association of Coastal Ocean Observing Systems (IN21A013012)		11.012	Integrated Ocean Observing System (IOOS)	-	48,345
	Northeastern Regional Association of Coastal Ocean Observing Systems (IN23A016001)		11.012	Integrated Ocean Observing System (IOOS)	-	26,919
	Northeastern Regional Association of Coastal Ocean Observing Systems (IN23A017006)		11.012	Integrated Ocean Observing System (IOOS)	-	48,775
	Northeastern Regional Association of Coastal Ocean Observing Systems (IN23A0179001)		11.012	Integrated Ocean Observing System (IOOS)	-	141,640
	Northeastern Regional Association of Coastal Ocean Observing Systems (IN23A019002)		11.012	Integrated Ocean Observing System (IOOS)	-	366,223
				Integrated Ocean Observing System (IOOS) Total	-	641,405
	NearView	03172201	11.021	NOAA Small Business Innovation Research (SBIR) Program	-	6,942
	Direct Awards		11.039	Regional Technology and Innovation Hubs	19,266	426,714
	Direct Awards		11.400	Geodetic Surveys and Services (Geodesy and Applications of the National Geodetic Reference System)	-	337,702
	University of Connecticut	428666	11.417	Sea Grant Support	-	6,838
	New Hampshire Department of Environmental Services	053123101	11.419	Coastal Zone Management Administration Awards	-	350
	New Hampshire Department of Environmental Services	11222187	11.419	Coastal Zone Management Administration Awards	-	12,434
				Coastal Zone Management Administration Awards Total	-	12,784
	Direct Awards		11.420	Coastal Zone Management Estuarine Research Reserves	-	133,010
	City of Rochester New Hampshire	14G343	11.469	Congressionally Identified Awards and Projects	-	321,928
	Nature Conservancy	S-AQSO-UNH-052024	11.473	Office for Coastal Management	-	23,242
	Direct Awards		11.617	Congressionally-Identified Projects	-	493,325
					19,266	2,419,657
Department of Commerce Total						
Department of Defense (DoD)						
	Windham County VT Natural Resources Conservation District	Direct Awards	12.U01	Other Department of Defense Programs	-	23,274
		NFWF-1401.23.076686-UNHExt-01	12.U01	Other Department of Defense Programs	-	7,000
				Other Department of Defense Programs Total	-	30,274
	Pennsylvania State University	S25-28	12.335	Navy Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance	-	4,114
Department of Defense (DoD) Total						
					-	34,388

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
Department of Education						
	City of Laconia New Hampshire School District	Direct Awards S184M190039	84.116 84.184	Fund for the Improvement of Postsecondary Education School Safety National Activities	23,079 -	575,063 35,909
	New Hampshire Department of Education	Direct Awards	84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	-	828,599
	New Hampshire Department of Education	2712010312	84.325	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	-	25
	New Hampshire Department of Education	7102443	84.367	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	-	43,820
	New Hampshire Department of Education	13D091	84.425	Special Education - Personnel Development to Improve Services and Results for Children with Disabilities Total	-	872,444
	New Hampshire Department of Education	Direct Awards	84.425	Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	-	28,845
				Education Stabilization Fund	-	934,317
				Education Stabilization Fund	-	182,691
				Education Stabilization Fund Total	-	1,117,008
Department of Education Total					23,079	2,629,269
Department of Energy						
	Lawrence Berkeley National Laboratory	7796610	81.U01	Other Department of Energy Programs	-	299,709
	University of California at Berkeley (UCB)	7639025	81.U01	Other Department of Energy Programs	-	162,144
		Direct Awards	81.117	Other Department of Energy Programs Total	-	461,853
				Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/As	8,404	406,845
Department of Energy Total					8,404	868,698
Department of Health and Human Services (HHS)						
		Direct Awards	93.493	Congressional Directives	-	24,996
		Direct Awards	93.048	Special Programs for the Aging, Title IV, and Title II, Discretionary Projects	-	102,693
	New Hampshire Department of Health & Human Services (DHHS)	6262434	93.070	Environmental Public Health and Emergency Response	-	61,052
	New Hampshire Department of Agriculture, Markets & Food	09152138C	93.103	Food and Drug Administration Research	-	64,190
	City of Concord New Hampshire School District	3970	93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	-	1,511
	City of Concord New Hampshire School District	H79SM087671-01	93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	-	204,380
	New Hampshire Department of Education	1H79SM082999-01	93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	-	94,906
				Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) Total	-	300,797
	University of New Hampshire	P20359	93.110	Maternal and Child Health Federal Consolidated Programs	-	24,605
		Direct Awards	93.110	Maternal and Child Health Federal Consolidated Programs	121,102	530,551
				Maternal and Child Health Federal Consolidated Programs Total	121,102	555,156
	New Hampshire Coalition Against Domestic Violence	14NK15	93.136	Injury Prevention and Control Research and State and Community Based Programs	-	6,901
	University of Vermont	AWD00001523SUB00000503	93.155	Rural Health Research Centers	-	86,712
	Special Olympics Inc	20233691	93.184	Disabilities Prevention	-	(206)
		Direct Awards	93.184	Disabilities Prevention	193,780	856,000
				Disabilities Prevention Total	193,780	855,794
	Medical Care Development Global Health	14NP75	93.211	Rural Telemedicine Grants	-	122,774
	City of Concord New Hampshire School District	1H79SM0808060	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	87,582
	City of Concord New Hampshire School District	251860	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	12,094
	City of Laconia New Hampshire School District	54GB16	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	160,108
	New Hampshire Department of Education	3132486	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	62,103
	New Hampshire Department of Education	IH79SM082054-01	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	77,231
	New Hampshire Department of Health & Human Services (DHHS)	060618-019	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	3,864
		Direct Awards	93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	-	107,775
				Substance Abuse and Mental Health Services Projects of Regional and National Significance Total	-	511,157
	Lamprey Health Care	Direct Awards 14NO81	93.247 93.247	Advanced Education Nursing Grant Program Advanced Education Nursing Grant Program	- -	679,981 4,337
				Advanced Education Nursing Grant Program Total	-	684,318
	Baystate Medical Center, Inc	19-166	93.279	Drug Use and Addiction Research Programs	-	19,121
	Council of State & Territorial Epidemiologists	8769	93.421	Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Natio	-	52,148
		Direct Awards	93.434	Every Student Succeeds Act/Preschool Development Grants	-	1,727,287
		Direct Awards	93.464	ACL Assistive Technology	-	503,865
	New Hampshire Coalition Against Domestic Violence	14NK16	93.556	MaryLee Allen Promoting Safe and Stable Families Program	-	38,846
	Waypoint	24-0021	93.623	Basic Center Grant	-	318
		Direct Awards	93.632	University Centers for Excellence in Developmental Disabilities Education, Research, and Service	-	653,568
	New Hampshire Department of Health & Human Services (DHHS)	13H370	93.658	Foster Care Title IV-E	-	2,836,285
	New Hampshire Department of Health & Human Services (DHHS)	6262417	93.658	Foster Care Title IV-E	-	158,812
				Foster Care Title IV-E Total	-	2,995,097
	New Hampshire Department of Health & Human Services (DHHS)	AMEND 06	93.687	Maternal Opioid Misuse Model	-	488,288
		Direct Awards	93.732	Mental and Behavioral Health Education and Training Grants	-	1,551,706
	New Hampshire Department of Health & Human Services (DHHS)	01182312	93.791	Money Follows the Person Rebalancing Demonstration	-	767,092
	New Hampshire Department of Health & Human Services (DHHS)	062018-22A	93.791	Money Follows the Person Rebalancing Demonstration	-	427,653
				Money Follows the Person Rebalancing Demonstration Total	-	1,194,745
	Dartmouth-Hitchcock Medical Center	GC10984-07	93.912	Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality	-	30,566
	New Hampshire Department of Health & Human Services (DHHS)	10132134	93.958	Block Grants for Community Mental Health Services	465,759	2,012,206
	New Hampshire Department of Health & Human Services (DHHS)	10132138A	93.958	Block Grants for Community Mental Health Services	-	206,506
	University of New Hampshire	PZL0189	93.958	Block Grants for Community Mental Health Services	-	218,211
	YWCA New Hampshire	NONE	93.958	Block Grants for Community Mental Health Services	-	61,046
				Block Grants for Community Mental Health Services Total	465,759	2,498,369
	New Hampshire Department of Health & Human Services (DHHS)	06142334	93.959	Block Grants for Prevention and Treatment of Substance Abuse	-	37,046
	New Hampshire Department of Health & Human Services (DHHS)	710247	93.991	Preventive Health and Health Services Block Grant	-	7,500
Department of Health and Human Services (HHS) Total					780,641	15,175,010

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
Department of Homeland Security (DHS)						
	New Hampshire Department of Safety	63S000	97.008	Non-Profit Security Program	-	79,346
	New Hampshire Department of Safety		0 97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	-	(18,330)
	New Hampshire Department of Safety	756852	97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	-	39,123
				Disaster Grants - Public Assistance (Presidentially Declared Disasters) Total	-	20,793
	University of Alaska	P0578009	97.081	Centers for Homeland Security	-	116,577
	New Hampshire Department of Safety	EMW-2024-SS-05110	97.067	Homeland Security Grant Program	-	99,878
	New Hampshire Department of Safety	ILO 1 SWETT	97.067	Homeland Security Grant Program	-	14,728
	New Hampshire Department of Safety	ILO PETRIN	97.067	Homeland Security Grant Program	-	33,081
				Homeland Security Grant Program Total	-	147,687
					-	364,403
Department of Homeland Security (DHS) Total						
Department of Housing and Urban Development (HUD)						
	New Hampshire Department of Health & Human Services (DHHS)	12222124	14.267	Continuum of Care Program	-	120,160
Department of Housing and Urban Development (HUD) Total						
Department of Justice (DOJ)						
		Direct Awards	16.525	Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	-	111,540
	New Hampshire Coalition Against Domestic Violence	14NP058	16.575	Crime Victim Assistance	-	8,880
	New Hampshire Coalition Against Domestic Violence	14NP68	16.575	Crime Victim Assistance	-	136,992
	New Hampshire Department of Justice (Attorney General)	052924124	16.575	Crime Victim Assistance	-	119,923
	New Hampshire Department of Justice (Attorney General)	2026VOC65	16.575	Crime Victim Assistance	-	315
				Crime Victim Assistance Total	-	266,110
		Direct Awards	16.710	Public Safety Partnership and Community Policing Grants	-	188,274
Department of Justice (DOJ) Total						
Department of Labor (DOL)						
	Lamprey Health Care	14NP60	17.268	H-1B Job Training Grants	-	12,305
		Direct Awards	17.504	Consultation Agreements	-	482,913
Department of Labor (DOL) Total						
Department of the Interior						
	New Hampshire Fish & Game Department	05172358	15.634	State Wildlife Grants	-	35,183
	New Hampshire Fish & Game Department	83024101	15.634	State Wildlife Grants	-	29,853
				State Wildlife Grants Total	-	65,036
	Lamprey River Advisory Committee	LTR DTD 2/11/25	15.962	National Wild and Scenic Rivers System	-	245
Department of the Interior Total						
Department of the Treasury						
	New Hampshire Cheshire County	54GB13	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	24,988
	New Hampshire Department of Agriculture, Markets & Food	11132437A	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	20,334
	New Hampshire Department of Agriculture, Markets & Food	11132437C	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	369,615
	New Hampshire Department of Health & Human Services (DHHS)	221245A	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	11,207
	New Hampshire Department of Justice (Attorney General)	025ARPVS25	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	141,200
	New Hampshire Housing Finance Authority	14NN57	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	99,400
	New Hampshire Department of Environmental Services	22124118	21.027	Coronavirus State And Local Fiscal Recovery Funds	-	147,192
				Coronavirus State And Local Fiscal Recovery Funds Total	-	813,936
	New Hampshire Department of Business & Economic Affairs	10042221	21.029	Coronavirus Capital Projects Fund	-	224,032
	New Hampshire Department of Business & Economic Affairs	4102441	21.031	State Small Business Credit Initiative Technical Assistance Grant Program	-	173,704
Department of the Treasury Total						
Department of Transportation (DOT)						
	New Hampshire Department of Transportation	05042231	20.205	Highway Planning and Construction	-	24,788
	New Hampshire Department of Transportation	05052126	20.205	Highway Planning and Construction	-	65,722
	New Hampshire Department of Transportation	05052127	20.205	Highway Planning and Construction	-	1,748
	New Hampshire Department of Transportation	05192132	20.205	Highway Planning and Construction	-	111
	New Hampshire Department of Transportation	10132144E	20.205	Highway Planning and Construction	-	1,392
				Highway Planning and Construction Total	-	93,761
	New Hampshire Department of Safety	24-238	20.600	State and Community Highway Safety	-	(3,474)
	New Hampshire Department of Safety	4102494	20.600	State and Community Highway Safety	-	9,913
				State and Community Highway Safety Total	-	6,439
Department of Transportation (DOT) Total						
Department of Veterans Affairs (VA)						
Department of Veterans Affairs (VA) Total						
Environmental Protection Agency (EPA)						
		Direct Awards	64.034	VA Grants for Adaptive Sports Programs for Disabled Veterans and Disabled Members of the Armed Forces	-	140,998
	University of Southern Maine	SNEP1-05	66.129	Geographic Programs - Southeast New England Coastal Watershed Restoration Program	-	27,948
	New Hampshire Department of Environmental Services	10132172H	66.444	Voluntary School and Child Care Lead Testing and Reduction Grant Program (SDWA 1464(d))	-	4,288
		Direct Awards	66.456	National Estuary Program	3,394	753,024
	New Hampshire Department of Environmental Services	092023122	66.460	Nonpoint Source Implementation Grants	-	256,091
	New Hampshire Department of Environmental Services	3272457	66.605	Performance Partnership Grants	-	40,558
	New Hampshire Department of Environmental Services	4/23/25 #84	66.605	Performance Partnership Grants	-	3,525
				Performance Partnership Grants Total	-	44,083
	eXtension Foundation	PSEFMP-2025-2678	66.716	Research, Development, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	-	4,162
	Community Sustainability Partners	LTR DTD 3/6/2025	66.957	Greenhouse Gas Reduction Fund: National Clean Investment Fund	-	15,133
	Inclusiv, Inc	2025-001	66.957	Greenhouse Gas Reduction Fund: National Clean Investment Fund	-	151,513
				Greenhouse Gas Reduction Fund: National Clean Investment Fund Total	-	166,646
	Inclusive Prosperity Capital	award date 1.21.2025	66.959	Greenhouse Gas Reduction Fund: Solar for All	-	3,900
Environmental Protection Agency (EPA) Total						
					3,394	1,260,142

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Cluster Title/Federal Grantor	Pass through Grantor	Direct Award or Pass through entity Identifying Number	Assistance Listing Number	Program Title	Amount Passed Through to Subrecipient	Total Federal Expenditures
Institute of Museum and Library Services (IMLS)						
	Southwest Region Planning Commission	Direct Awards LTR DTD 3/26/2025	90.601 90.601	Northern Border Regional Development Northern Border Regional Development Northern Border Regional Development Total	35,657 -	112,378 15,794
Institute of Museum and Library Services (IMLS) Total					<u>35,657</u>	<u>128,172</u>
Library of Congress						
	Waynesburg University	Direct Awards LTR DTD 12/16/24	42.010 42.011	Teaching with Primary Sources Library of Congress Grants	-	47,393
Library of Congress Total					<u>-</u>	<u>13,026</u>
National Foundation on the Arts & Humanities (NEA / NEH)					<u>-</u>	<u>60,419</u>
	New Hampshire Humanities Council, Inc. New Hampshire Humanities Council, Inc.	101223 1023-24 Direct Awards	45.129 45.129 45.129	Promotion of the Humanities Federal/State Partnership Promotion of the Humanities Federal/State Partnership Promotion of the Humanities Federal/State Partnership	-	1,136
National Foundation on the Arts & Humanities (NEA / NEH) Total					<u>-</u>	<u>520</u>
		Direct Awards Direct Awards	45.162 45.163	Promotion of the Humanities Federal/State Partnership Total Promotion of the Humanities Teaching and Learning Resources and Curriculum Development Promotion of the Humanities Professional Development	-	270
National Foundation on the Arts & Humanities (NEA / NEH) Total					<u>-</u>	<u>1,926</u>
		Direct Awards	47.074	Biological Sciences	-	16,850
National Science Foundation (NSF) Total					<u>-</u>	<u>45,630</u>
		Direct Awards	54.001	Intelligence Community Centers for Academic Excellence	-	64,406
National Science Foundation (NSF) Total					<u>-</u>	<u>24,569</u>
Office of the Director of National Intelligence					<u>-</u>	<u>24,569</u>
	US ODNI, Office of the Director of National Intelligence	202222082500004	54.001	Intelligence Community Centers for Academic Excellence	113,475	562,106
Office of the Director of National Intelligence Total					<u>113,475</u>	<u>562,106</u>
Small Business Administration (SBA)						
		Direct Awards Direct Awards Direct Awards	59.037 59.058 59.059	Small Business Development Centers Federal and State Technology Partnership Program Congressional Grants	-	989,146
Small Business Administration (SBA) Total					<u>-</u>	<u>115,783</u>
		Direct Awards	43.U01	Other National Aeronautics and Space Administration Programs	-	271,468
Small Business Administration (SBA) Total					<u>-</u>	<u>1,376,397</u>
Smithsonian Institution						
	New Hampshire Aerospace Defense Consortium Inc (NHADEC)	Direct Awards 14NP26	43.U01 43.U01	Other National Aeronautics and Space Administration Programs Other National Aeronautics and Space Administration Programs	-	3,665
Smithsonian Institution Total					<u>-</u>	<u>288,057</u>
		Direct Awards	43.001	Other National Aeronautics and Space Administration Programs Total Science	-	291,722
Smithsonian Institution Total					<u>-</u>	<u>356,384</u>
Other awards Cluster Total					<u>3,525,536</u>	<u>34,322,963</u>
Total Expenditures of Federal Awards					<u>29,653,269</u>	<u>338,814,434</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025**

NOTE 1 BASIS OF PRESENTATION

The accompanying supplementary schedule of expenditures of federal awards (the Schedule) summarizes the expenditures of the University System of New Hampshire (USNH), which includes the University of New Hampshire (UNH), Plymouth State University (PSU), and Keene State College (KSC) under programs funded by the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the consolidated financial position, changes in net assets or cash flows of the University.

For purposes of the Schedule, federal awards include all grants, contracts and similar agreements entered into directly between the University and agencies and departments of the federal government pursuant to federal grants, contracts and similar agreements. The Schedule also denotes awards passed through to the University to other non-federal organizations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures for federal award programs are recognized as incurred using the accrual method of accounting and the cost accounting principles promulgated under applicable federal circulars. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement and, accordingly, are not reflected as expenditures in the accompanying Schedules. Expenditures also include a portion of costs associated with general operating activities of the respective institutions which are allocated to awards under negotiated formulas commonly referred to as facilities and administrative cost rates (note 3).

NOTE 3 FACILITIES AND ADMINISTRATIVE COSTS

UNH negotiated facilities and administrative cost rates in fiscal year 2023 with its cognizant agency, the U.S. Department of Health and Human Services (DHHS). The on-campus facilities and administrative cost rate in place for UNH is 53.5% of modified total direct costs effective July 1, 2023 until amended. Other rates for UNH facilities and administrative cost recovery range from 26.0% to 56.9% of modified total direct costs.

The on-campus facilities and administrative cost rate in place for PSU is 68.0% of direct salaries and wages from July 1, 2024 until amended. The off-campus rate for PSU facilities and administrative cost recovery is 25.0% of direct salaries and wages.

The on-campus facilities and administrative cost rate in place for KSC is 61.0% of direct salaries and wages from July 1, 2024 until amended. The off-campus rate for KSC facilities and administrative cost recovery is 25% of direct salaries and wages.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025**

NOTE 4 FEDERAL PERKINS LOAN PROGRAM (ASSISTANCE LISTING 84.038)

The Perkins Loan Program listed below is administered directly by USNH, and balances and transactions relating to this program are included in USNH's financial statements. The outstanding Perkins Notes Receivable balance as of June 30, 2025, is \$1,995,352.

NOTE 5 FEDERAL DIRECT STUDENT LOANS (ASSISTANCE LISTING 84.268)

Federally guaranteed loans issued to USNH students through the Federal Direct Loan Program (FDL), includes Direct Subsidized and Unsubsidized Stafford Loans, and Direct Parent Loans for Undergraduate Students. These distributions and the related funding sources are not included in the System's financial statements. Amounts distributed for the FDL program during the year ended June 30, 2025, are summarized as follows:

Stafford Loans:	
UNH	\$ 61,357,151
PSU	18,268,302
KSC	12,039,819
Total Stafford Loans	91,665,272
Plus Loans:	
UNH	31,327,358
PSU	8,384,703
KSC	6,038,236
Total Plus Loans	45,750,297
Total Federal Direct Student Loans	\$ 137,415,569

NOTE 6 STUDENT FINANCIAL AID INSTITUTIONAL AND PROGRAM ELIGIBILITY METRICS

The Institution is in compliance with the following institutional and program eligibility requirements under the Higher Education Act of 1965 and Federal regulations under 34 CFR 668.23:

- Correspondence courses the institution offers under 34 CFR 600.7(b) and (g)
- Regular students that enroll in correspondence courses under 34 CFR 600.7(b) and (g)
- Institution's regular students that are incarcerated under 34 CFR 600.7(c) and (g)
- Completion rates for confined or incarcerated individuals enrolled in non-degree programs at nonprofit institutions under 34 CFR 600.7(c)(3)(ii) and (g)
- Institution's regular students that lack a high school diploma or its equivalent under 34 CFR 600.7(d) and (g)
- Completion rates for short-term programs under 34 CFR 668.8(f) and (g)
- Placement rates for short-term programs under <https://www.ecfr.gov/current/title-34/subtitle-B/chapter-VI/part-668/subpart-A/section-668.8> 34 CFR 668.8(e)(2)

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ x yes _____ no
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ x yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ x yes _____ no

Identification of Major Federal Programs

Assistance Listing Numbers	Name of Federal Program or Cluster
84.007, 84.033, 84.038, 84.063, 84.268	Student Financial Assistance Cluster
84.042, 84.044, 84.047, 84.217	TRIO Cluster
Dollar threshold used to distinguish between Type A and Type B programs:	\$3,000,000
Auditee qualified as low-risk auditee?	_____ <u> x </u> yes _____ no

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section II – Financial Statement Findings

2025-001 Cash Reconciliations

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: Due to the transition to Workday and user-related challenges navigating the new system, the System experienced difficulties in providing a timely and accurate final trial balance, including the supporting workpapers. This resulted in numerous versions of the trial balance and caused corrected and uncorrected misstatements during the fiscal year audit.

Criteria or specific requirement: Internal control guidance under the COSO framework, entities must maintain effective controls over financial reporting, including timely reconciliation of accounts and preparation of an accurate trial balance. Timely reconciliations are essential to ensure the accuracy of financial records, detect errors, and prevent misappropriation of assets.

Effect: The lack of timely reconciliations significantly increased the risk of undetected errors or misstatements in the financial records. Without regular reconciliations, unauthorized transactions or misappropriation of assets may go undetected, compromising the integrity of financial reporting.

Cause: University System of New Hampshire implemented a new enterprise resource planning (ERP) system, Workday, during the fiscal year. The transition resulted in delays and disruptions to established reconciliation processes, as staff adjusted to new workflows, system functionality, and reporting tools. These challenges contributed to the lack of timely reconciliations.

Repeat Finding: No

Recommendation: We recommend that the System offer additional training on the new platform and consistently review and enhance existing controls to ensure that reconciliations are completed and reviewed in a timely manner.

Views of responsible officials and planned corrective actions: In agreement.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs

2025-002

Federal Agency: Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.007, 84.033, 84.038, 84.063, 84.268

Federal Award Identification Number and Year: N/A; award year 2024-2025

Award Period: July 01, 2024 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or Specific Requirement:

The Code of Federal Regulations, 34 CFR 668.164(e) states, "Whenever an institution disburses title IV, HEA program funds by crediting a student's account and the total amount of all title IV, HEA program funds credited exceeds the amount of tuition and fees, room and board, and other authorized charges the institution assessed the student, the institution must pay the resulting credit balance directly to the student or parent as soon as possible but—

(1) No later than 14 days after the balance occurred if the credit balance occurred after the first day of class of a payment period; or

(2) No later than 14 days after the first day of class of a payment period if the credit balance occurred on or before the first day of class of that payment period.

Condition:

Through our testing of 40 students whose accounts had a credit balance resulting from federal funds during the year, we noted that ten students at Keene State College and seven students at University of New Hampshire did not have the credit balance refunded within the 14 day period.

Context:

The institution's policies and procedures did not successfully track the 14 day period required for credit balance refunds.

Cause:

The policies and procedures of the institution did not ensure that refund compliance requirements were timely met.

Questioned Costs:

None

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025-002 (Continued)

Possible Asserted Effect:

The institution did not refund students within 14 days for credit balances that arose from federal funds as required by DOE regulations.

Repeat Finding:

Yes – 2024-001

Auditor’s Recommendation:

We recommend that the College put a process in place to refund student credit balances that arose from federal funds within 14 days.

Views of Responsible Officials:

There is no disagreement with the audit finding.

2025-003

Federal Agency: Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.007, 84.033, 84.038, 84.063, 84.268

Federal Award Identification Number and Year: N/A; award year 2024-2025

Award Period: July 01, 2024 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or Specific Requirement:

The Code of Federal Regulations, 34 CFR 685.309 requires that enrollment status changes for students be reported to NSLDS within 30 days or within 60 days if the student with the status change will be reported on a scheduled transmission within 60 days of the change in status. Regulations require the status include accurate information.

Condition:

We noted, during our testing, that two students from Keene State College and two students from Plymouth State University out of 60 students tested whose enrollment status was not timely reported to NSLDS. In addition, one student’s status in NSLDS did not agree to the transcript at Plymouth State University and one student’s effective date in NSLDS did not agree to the institutional records at Plymouth State University.

Context:

The institution’s processes and controls did not ensure that student status changes were timely reported to NSLDS.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025-003 (Continued)

Cause:

The institution's processes and controls did not ensure that student status changes were timely reported to NSLDS.

Questioned Costs:

None

Possible Asserted Effect:

The NSLDS system is not updated with the student information which can cause overawarding should the student transfer to another institution and the students may not properly enter the repayment period.

Repeat Finding:

Yes 2024-002

Auditor's Recommendation:

We recommend the institution review its reporting procedures to ensure that students' statuses are timely reported to NSLDS as required by regulations.

Views of Responsible Officials:

There is no disagreement with the audit finding.

2025-004

Federal Agency: Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.007, 84.033, 84.038, 84.063, 84.268

Federal Award Identification Number and Year: N/A; award year 2024-2025

Award Period: July 01, 2024 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or Specific Requirement:

Per the Code of Federal Regulations, 34 CFR 673.5, students may not be awarded need based aid in excess of their calculated need. In addition, 34 CFR 685.203(j) states that in no case may a loan amount exceed the student's estimated cost of attendance for the period of enrollment for which the loan is intended less the student's estimated financial assistance for that period and in the case of Direct Subsidized Loans, the borrower's student aid index for that period.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025-004 (Continued)

Condition:

We noted one student from Keene State College was awarded need based aid over their calculated need. In addition, we noted, during our testing, that one student from Keene State College and one student from the University of New Hampshire whose subsidized loans were not maximized before originating an unsubsidized loan.

Context:

The institution's processes and controls did not ensure that student was awarded appropriately based on the students need calculation.

Cause:

The institution's processes and controls did not ensure the student was awarded need based aid up to their need calculation.

Questioned Costs:

None

Possible Asserted Effect:

Students are awarded aid beyond their need calculation.

Repeat Finding:

No

Auditor's Recommendation:

We recommend the institution review its reporting procedures to ensure that awarding is within the need calculation.

Views of Responsible Officials:

There is no disagreement with the audit finding.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025-005

Federal Agency: Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.007, 84.033, 84.038, 84.063, 84.268

Federal Award Identification Number and Year: N/A; award year 2024-2025

Award Period: July 01, 2024 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or Specific Requirement:

Per the Code of Federal Regulations, 34 CFR 668.32(f), students must maintain satisfactory academic progress (SAP) in his or her course of study according to the institution's published standards of satisfactory academic progress that meet the requirements of 34 CFR 668.34.

Condition:

Of the 60 students tested, we noted one student from the University of New Hampshire who was disbursed aid after failing SAP and was no longer eligible to receive federal student aid. In addition, we noted, two students from University of New Hampshire who failed SAP in Spring of 2025 and were not provided the proper notification that they had failed SAP and were no longer eligible to receive federal student aid.

Context:

The institution's processes and controls did not ensure that students were properly notified they were no longer eligible and continued awarding aid to students no longer eligible.

Cause:

The institution's processes and controls did not ensure the student's failing SAP received the proper notification and eligibility terminated.

Questioned Costs:

None

Possible Asserted Effect:

Students are disbursed aid when they no longer are eligible.

Repeat Finding:

No

Auditor's Recommendation:

We recommend the institution review its SAP policies to ensure they met the minimum requirements and that they are fully implemented.

Views of Responsible Officials:

There is no disagreement with the audit finding.

**UNIVERSITY SYSTEM OF NEW HAMPSHIRE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2025-006

Federal Agency: Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.007, 84.033, 84.038, 84.063, 84.268

Federal Award Identification Number and Year: N/A; award year 2024-2025

Award Period: July 01, 2024 – June 30, 2025

Type of Finding: Significant Deficiency in Internal Control over Compliance and Other Matters

Criteria or Specific Requirement:

The Code of Federal Regulations, 34 CFR 668.56 requires institutions to obtain supporting documentation and perform verification procedures for students selected by the Central Processing System (CPS). Supporting documents must be retained to support the results of students selected for verification. 34 CFR 668.57 lists the acceptable documentation to be obtained for the verification procedures.

Condition:

One of the students at the University of New Hampshire of the ten tested did not have the required support retained in the student files.

Context:

The University's processes and controls did not ensure the verification process was completed before disbursements of awards.

Cause:

The University's processes and controls did not ensure the information obtained and utilized for verification purposes was retained in the files.

Questioned Costs:

None

Possible Asserted Effect:

The University did not either obtain or retain information to support the verification process. Documentation needs to be retained to show that the verification process was completed.

Repeat Finding:

No

Auditor's Recommendation:

The University should review the procedures surrounding the verification process to ensure all necessary support and documentation is obtained and retained in the student files.

Views of Responsible Officials:

There is no disagreement with the audit finding.