

BOISE STATE UNIVERSITY

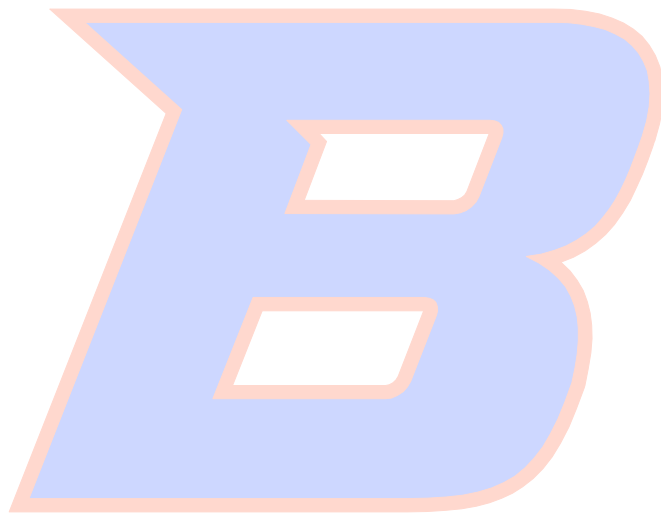
**REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS
JUNE 30, 2013 AND 2012
INCLUDING SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2013**



BOISE STATE UNIVERSITY

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INDEPENDENT AUDITOR'S REPORT

Idaho State Board of Education
Boise State University

Report on the Financial Statements

We have audited the accompanying financial statements of Boise State University (University) and its discretely presented component unit, Boise State University Foundation, Inc., as of and for the years ended June 30, 2013 and 2012, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of the University's discretely presented component unit as described in Note 13. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for that component unit, are based solely on the report of other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Boise State University Foundation, Inc. were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

INDEPENDENT AUDITOR'S REPORT (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of Boise State University and its discretely presented component unit, as of June 30, 2013 and 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* listed in the table of contents and certain information in Note 11, *Postemployment Benefits Other Than Pensions* labeled as "required supplementary information", be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

INDEPENDENT AUDITOR'S REPORT (continued)

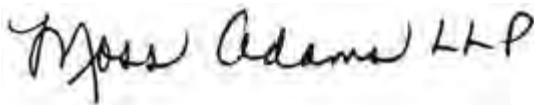
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Boise State University's basic financial statements. The schedule of expenditures of federal awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* is presented for purposes of additional analysis and is not a required part of the financial statements.

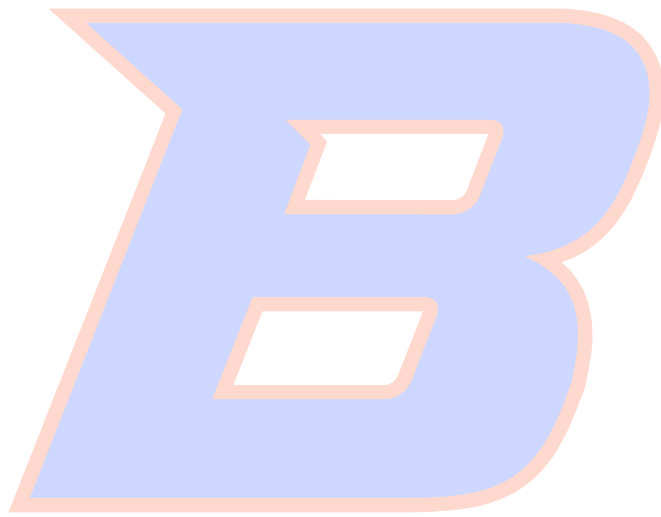
The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2013, on our consideration of Boise State University's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Boise State University's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Eugene, Oregon
September 30, 2013 (except for the Schedule of
Expenditures of Federal Awards as to
which the date is December 19, 2013)



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MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2013

Boise State University (the "University") is a publicly supported, multi-disciplinary institution of higher education recognized by the Carnegie Foundation for outreach and community engagement. The University has the largest student enrollment of any university in Idaho, with an official enrollment of 22,678 for the Fall semester of fiscal year 2013 (Fall 2012) as compared to 19,664 for fiscal year 2012 (Fall 2011). As of Fall 2012, the Idaho State Board of Education approved a change in census date for measurement of enrollment for all Idaho institutions from the tenth day of classes to October 15. The new date is in line with industry standards and allows accurate reporting of students dual enrolled in high school. Of the total 13.4% increase, 12% was due to the change in census date and 1.4% was due to true enrollment growth.

The main campus is located in Boise, Idaho with convenient access to the governmental institutions and commercial and cultural amenities located in the capital city. The Boise City-Nampa metropolitan area has an estimated population of 628,000. Approximately 4,260 faculty and staff (including 1,258 student employees) were employed as of June 30, 2013. The University administers baccalaureate, masters and doctoral programs through seven colleges - Arts and Sciences, Business and Economics, Social Sciences and Public Affairs, Engineering, Graduate Studies, Health Sciences, and Education. The University offers over 83 distinct graduate curricula leading to masters' degrees. Nine doctoral curriculums include programs in the colleges of Arts and Sciences, Education, Engineering and Health Sciences. Full accreditation has been awarded by the Northwest Commission on Colleges and Universities through 2018, and a number of the University's academic programs have also obtained specialized accreditation. The University is home to 39 research centers and institutes, including the Center for Health Policy, the Center for Public Policy and Administration, the Center for Global Entrepreneurship, the Raptor Research Center, and the Center for Multicultural/Educational Opportunities. Student athletes compete in NCAA intercollegiate athletics at the Division I-A level on 17 men's and women's teams in 12 sports. The University also hosts National Public Radio, Public Radio International, and American Public Radio on the Boise State Radio Network, which broadcasts in southern Idaho, western Oregon and northern Nevada on a network of 18 stations and translators.

Overview of the Financial Statements and Financial Analysis

The financial statements for fiscal years ended June 30, 2013 and June 30, 2012 are prepared in accordance with Governmental Accounting Standards Board ("GASB") principles. There are three financial statements presented: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows. The Boise State University Foundation, Inc. (the "Foundation") is a legally separate, tax-exempt entity and is discretely presented for the fiscal years ended June 30, 2013 and 2012. The Foundation reports financial information according to Financial Accounting Standards Board ("FASB") reporting standards. The University presents component unit financial information on pages immediately following the statements of the University. Financial statements of the Foundation may be obtained from the Vice President for Finance and Administration at the University.



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Statements of Net Position

The statement of net position includes all assets, deferred outflows, deferred inflows and liabilities of the University. Assets, deferred outflows, deferred inflows and liabilities are generally reported at their book value, on an accrual basis, as of the statement date. This statement also identifies major categories of the net position of the University as net investment in capital assets, restricted and unrestricted. The first category, net investment in capital assets, reflects the University's equity in capital assets. The second net position category, restricted, expendable, is available for expenditure by the University for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position. Unrestricted net position provides the amount of equity in assets available to the University for any lawful purpose of the institution.

Summary Statements of Net Position As of June 30 (Dollars in Thousands)			
	2013	2012	2011
ASSETS:			
Current assets	\$ 142,521	\$ 122,982	\$ 126,312
Capital assets, net	507,899	462,106	420,783
Other assets	36,731	62,913	55,794
Total assets	<u>\$ 687,151</u>	<u>\$ 648,001</u>	<u>\$ 602,889</u>
LIABILITIES:			
Current liabilities	\$ 61,958	\$ 61,535	\$ 54,067
Non-current liabilities	240,058	244,097	232,639
Total liabilities	302,016	305,632	286,706
NET POSITION:			
Net investment in capital assets	268,939	229,368	200,893
Restricted, expendable	14,554	13,944	21,691
Unrestricted	101,642	99,057	93,599
Total net position	<u>385,135</u>	<u>342,369</u>	<u>316,183</u>
Total liabilities and net position	<u>\$ 687,151</u>	<u>\$ 648,001</u>	<u>\$ 602,889</u>

The University's total assets increased during fiscal year 2013 by \$39,150,073 from \$648,000,582 as of June 30, 2012 to \$687,150,655 as of June 30, 2013. Capital assets continued to grow as the University converted invested bond proceeds and gifts into ongoing construction works-in-progress. The University's total liabilities decreased during fiscal year 2013 by \$3,615,986 from \$305,632,020 as of June 30, 2012 to \$302,016,034 as of June 30, 2013. The decrease is attributable to a \$4.3 million net reduction in total long-term debt. The impact of refunding combined with debt payments was partially offset by \$5.3 million of new money used to purchase property. Total net position increased during



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fiscal year 2013 by \$42,766,059 from \$342,368,562 as of June 30, 2012 to \$385,134,621 as of June 30, 2013. Net invested in capital assets represent 93% of the net position increase as the University continues to expand and improve the physical plant. Unrestricted net position increased by \$2,584,477. The University is intentionally building unrestricted reserves to support debt loads and to fund maintenance and growth initiatives as state funding is not expected to return to the levels of prior years.

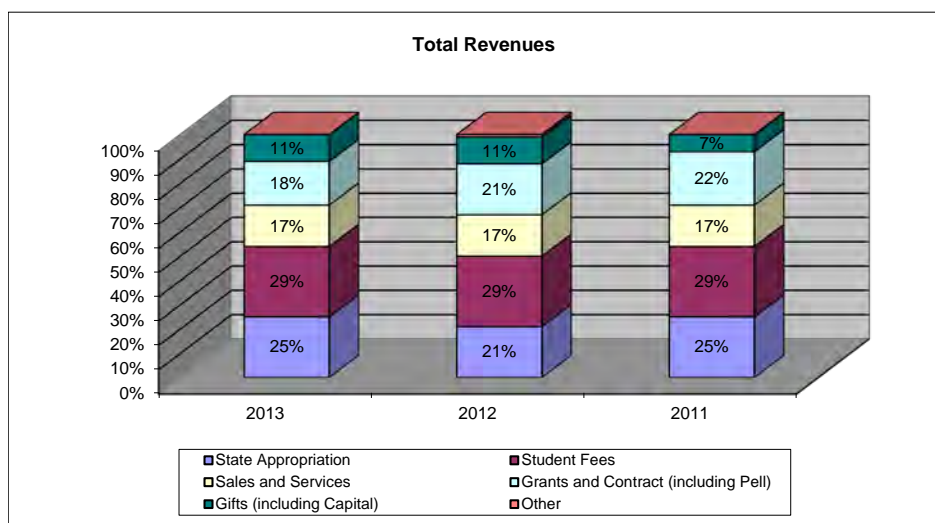




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Statements of Revenues, Expenses, and Changes in Net Position

Changes in total net position, as presented on the statements of net position, are based on the activity presented in the statements of revenues, expenses, and changes in net position. The purpose of the statement is to present the revenues (operating and non-operating) received, and the expenses (operating and non-operating) paid and any other revenues, expenses, gains and losses received or spent by the University. A publicly supported university will normally reflect a net operating loss because state general fund appropriations are not reported as operating revenues. Generally speaking, operating revenues are generated by providing services to the various customers, students and constituencies of the University. Operating expenses are those expenses paid to acquire or produce the services provided in return for operating revenues and to carry out the functions of the University. Non-operating revenues are revenues received for which services are not provided. For example, state general funds are non-operating because the Idaho State Legislative process provides them to the University without the Legislature directly receiving services in exchange for those revenues.

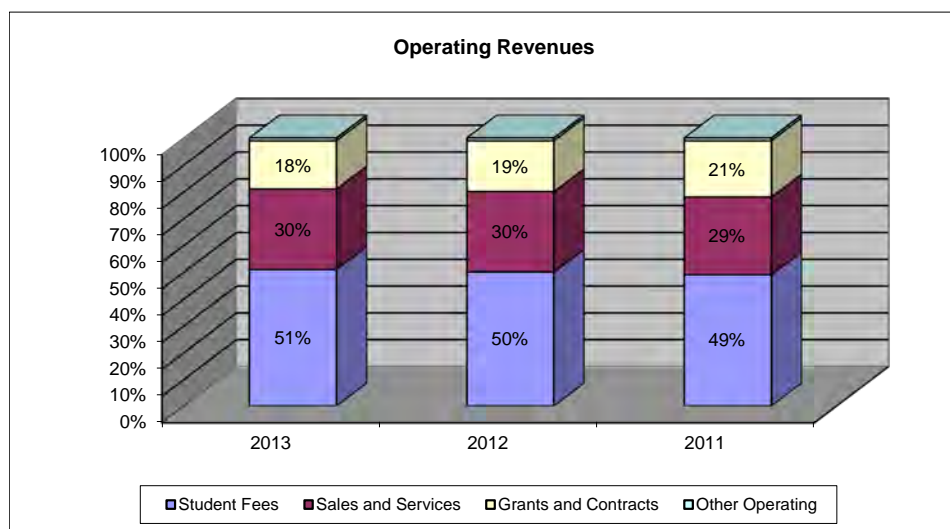


Summary Statements of Revenues, Expenses, and Changes in Net Position				
Fiscal Years Ended June 30				
(Dollars in Thousands)				
	2013	2012	2011	
Operating revenues	\$ 209,281	\$ 198,645	\$ 187,260	
Operating expenses	319,372	303,985	289,275	
Operating loss	(110,091)	(105,340)	(102,015)	
Non-operating revenues and expenses	126,306	118,007	117,477	
Income before other revenues, expenses, gains or losses	16,215	12,667	15,462	
Other revenues and expenses	26,551	13,519	5,496	
Increase in net position	42,766	26,186	20,958	
Net position—Beginning of year	342,369	316,183	295,225	
Net position—End of year	\$ 385,135	\$ 342,369	\$ 316,183	

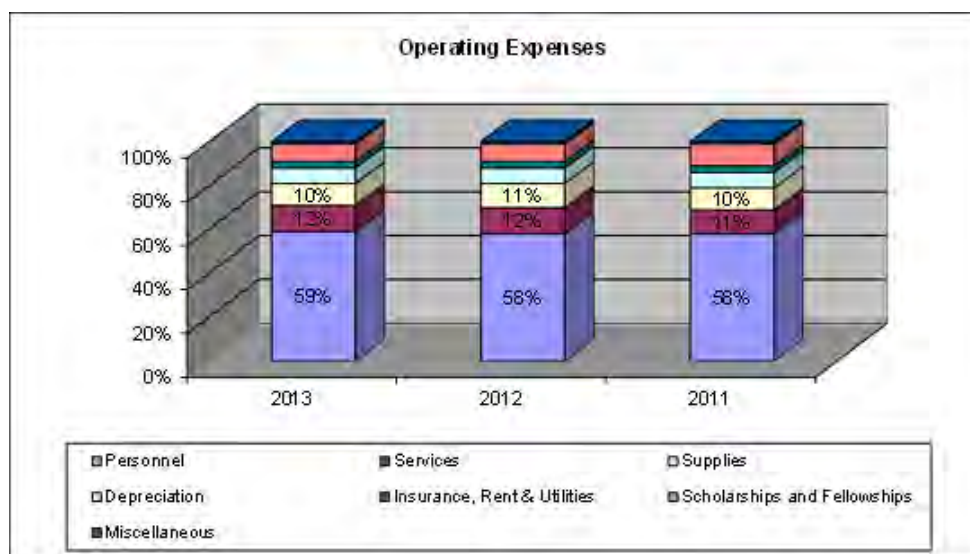


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The statements of revenues, expenses, and changes in net position reflect an overall increase in net position during fiscal year 2013 of \$42,766,059. Operating revenues increased by \$10,636,237 from \$198,644,391 in 2012 to \$209,280,628 in 2013. This increase was generated through additional student fee revenue, net of scholarship allowances, and auxiliary sales.



Operating expenses increased by \$15,386,944 from \$303,984,891 in 2012 to \$319,371,835 in 2013. Personnel expenses increased \$11.3 million or 6.4%. \$6.3 million of the increase is related to salary for new employees and market adjustments for critical positions. \$4.2 million of the additional salary was incurred at the college level divided between 53 new positions and market adjustments. Additional positions were mainly within the College of Engineering, College of Social Science and Public Affairs and Extended Studies. Benefits increased \$5 million, with the majority of the amount attributable to medical insurance. Services increased \$3 million or 8.5%. \$1.2 million of this was for repair and maintenance of the physical plant and the remaining was for technology consulting.





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Statements of Cash Flows

The final statement presented by the University is the statements of cash flows. The statements of cash flows present detailed information about the cash activity of the University during the year. The statements of cash flows is not presented for component units. The statement is divided into five sections. The first section deals with operating cash flows and shows the net cash received and used by the operating activities of the University. The second section reflects cash flows from non-capital financing activities and displays the cash received and spent for non-operating, non-investing and non-capital financing purposes. The third section presents cash flows from capital and related financing activities including the cash used for the acquisition and construction of capital and related items. The fourth section reflects cash flows from investing activities and shows the purchases, proceeds and interest received from investing activities. The fifth section reconciles the net cash used in operating activities to operating income or loss reflected on the statements of revenues, expenses, and changes in net position.

Overall, cash increased by \$881,189 during fiscal year 2013 compared to a cash decrease of \$4,427,182 during fiscal year 2012. Cash used in operating activities totaled \$87.7 million in fiscal year 2013 compared to \$82.2 million in fiscal year 2012. Increases in student fees were offset by increased operating expenses driven by continued growth. Cash provided by non-capital financing activities increased \$14 million in 2013 after declining \$4.5 million in 2012. The decline in 2012 was related to a reduction in State appropriations which reversed in 2013. The University continued to invest heavily in facilities, spending previously issued bond proceeds, donations and invested reserves.

Summary Statements of Cash Flows Fiscal Years Ended June 30 (Dollars in Thousands)			
	2013	2012	2011
Cash provided (used) by:			
Operating activities	\$ (87,658)	\$ (82,197)	\$ (80,588)
Non-capital financing activities	137,458	123,465	127,964
Capital and related financing activities	(58,761)	(43,104)	(60,607)
Investing activities	9,842	(2,591)	21,119
Net change in cash	881	(4,427)	7,888
Cash—Beginning of year	37,644	42,071	34,183
Cash—End of year	\$ 38,525	\$ 37,644	\$ 42,071

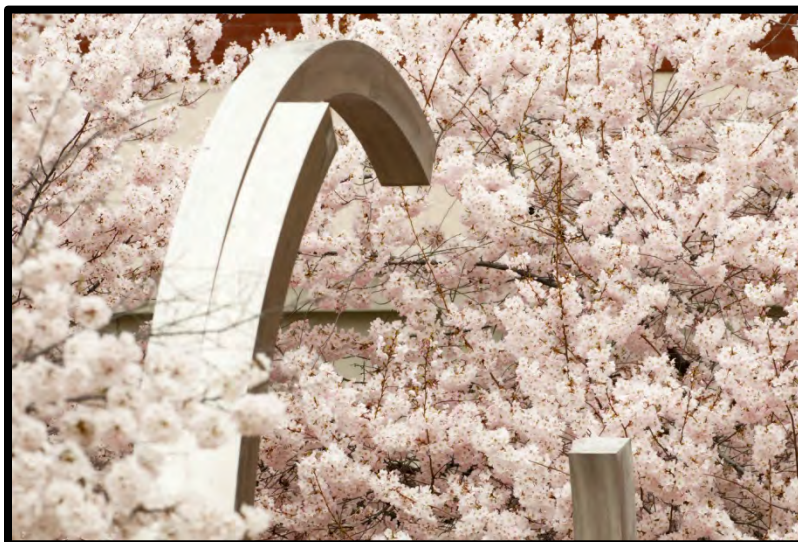


Capital Asset and Debt Administration

The University's capital assets, (prior to depreciation) increased by \$65,270,590 from \$679,880,243 in 2012 to \$745,150,833 in 2013. The University continued to build and acquire property and buildings consistent with the Campus Master Plan. \$78 million of buildings were completed and transferred from construction in progress during the fiscal year, including the \$34 million Micron Business and Economics Building, a \$24 million environmental research building and \$8.3 million for an athletics facility, Dona Larsen Park. Capital asset additions to work in progress in 2013 included \$14 million for the new Gene Bleymaier Football Complex. The University also obtained two strategic properties; a 4 acre parcel purchased for \$5.9 million directly across from the student union in the center of campus, and an 8,852 square foot office condominium purchased for \$1.65 million and located downtown in the heart of the Boise city center.

The University issued \$14,195,000, at par, of tax exempt, General Revenue Refunding Bonds, Series 2013A and \$11,760,000 of taxable General Revenue and Refunding Bonds, Series 2013B. \$6,150,403 of the proceeds were used to finance a portion of the cost of acquiring an approximately four-acre parcel of real property and improvements thereon, located adjacent to the University's campus, to be used for future development and to pay issuance costs. The remaining funds were deposited into an irrevocable trust to advance refund portions of the 2004A General Revenue Bonds and 2005A General Revenue and Refunding Bonds. The University achieved 7% net present value savings on the refunding transaction totaling approximately \$1.4 million. Moody's Investor Services and Standard and Poors Rating Services rated the 2013 bonds and reaffirmed outstanding bonds as Aa3 and A+ with a stable outlook.

Limited state funding exists for University buildings, therefore the University continues to leverage student facility fees, donations and grant funding with taxable and tax-exempt bonds to improve and add academic and auxiliary facilities. Unrestricted net position is intentionally accumulated to provide funds to support debt payments should operating revenues unexpectedly decrease. The University's debt burden ratio as of June 30, 2013, is 5.98%, slightly higher than 5.91% as of June 30, 2012. Management's policy is to maintain this ratio below 8%.

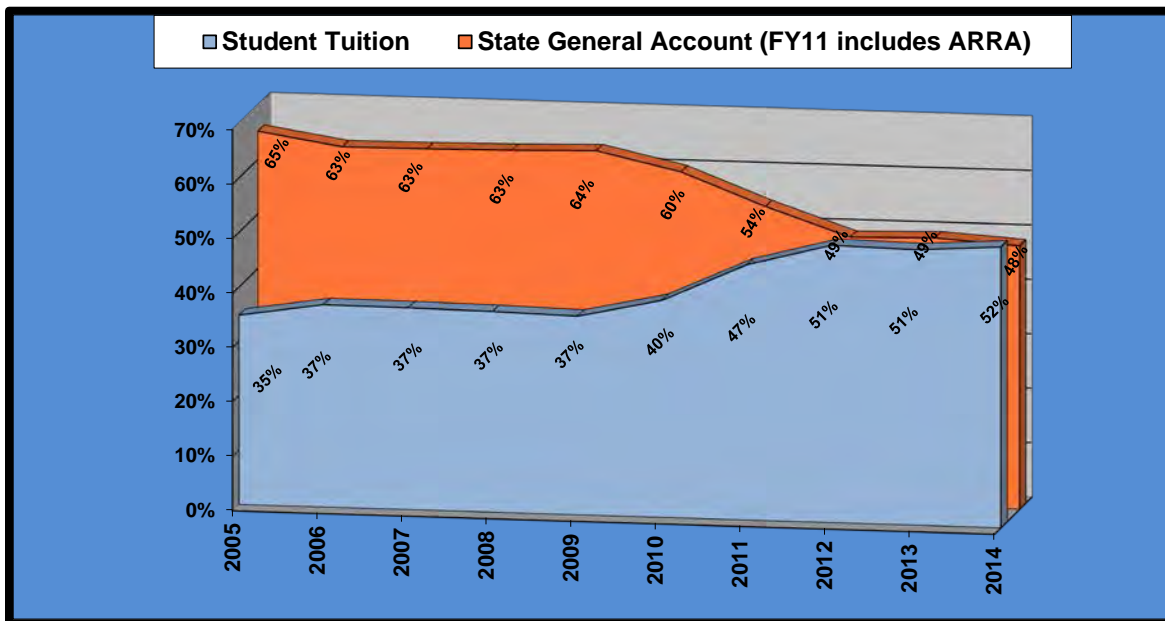




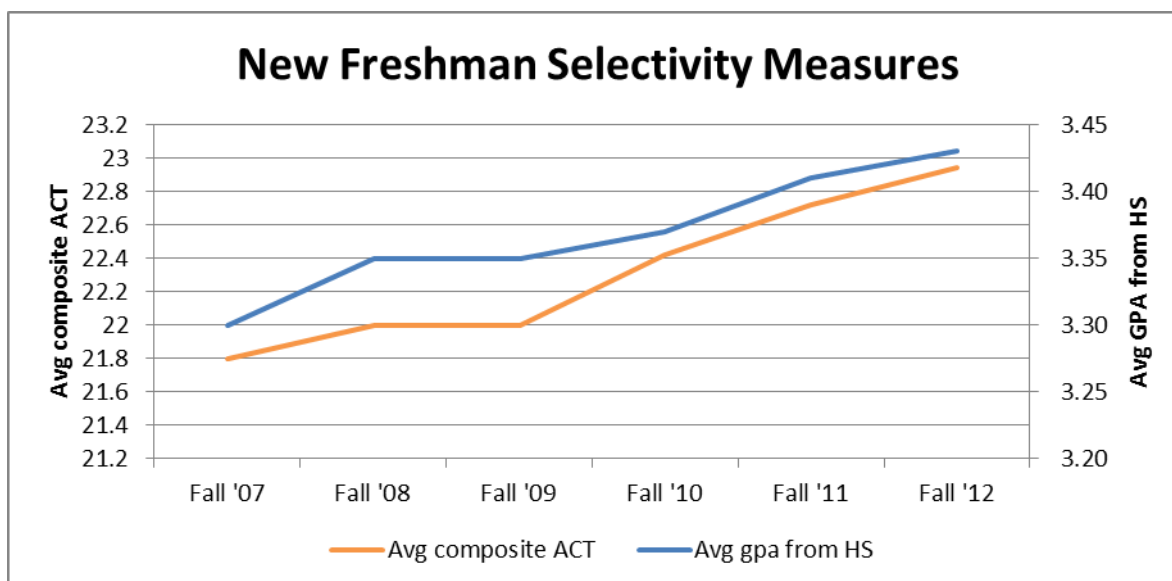
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Economic Outlook

Overall, the State of Idaho finished FY13 with \$2.75 billion in general fund receipts, which was a 6.3% increase from FY12. The July *Idaho Economic Forecast*, published by the Division of Financial Management, predicts continued improvement in the local economy in all sectors. While this bodes well for the State in general, management does not anticipate a return to state funding levels of the past as higher education competes with other education and service agencies for budget dollars.



In addition, enrollment trends are expected to shift. The University has experienced tremendous growth with full-time equivalent enrollment increasing 24% since Fall 2006. Demographic changes in the US population as well as rising costs are expected to flatten or even reverse higher education enrollment trends nationally. The number of annual high school graduates nationally is projected to drop 28,000 by 2021. The state of Idaho is expected to fare better than the national averages, however softer enrollments combined with no growth in state appropriations puts pressure on the University to assess efficiency in order to improve programs.



As seen above, freshman selectivity measures continued to improve for Fall 2012. Improved and targeted expansion of programs is required to meet the needs of the University service area as well as to meet the needs of the incoming student body. In response to community demand, the University added five doctoral curriculums over 24 months.

- PhD in Biomolecular Science
- EdD in Educational Technology
- PhD in Materials Science and Engineering
- PhD in Public Policy and Administration
- Doctor of Nursing Practice

Advanced studies in the above areas will provide needed expertise required by local industry and Idaho's citizenry.

The mixture of decreasing state revenues and a rapidly evolving institution continues to be the main challenge for the University. "Focus on Effectiveness: A Strategic Plan for Boise State University 2012-2017" was developed to guide future efforts. The plan focuses on organizational effectiveness and consideration of how resources are acquired and invested including continued focus on alternative funding streams as well as evaluation of new funding models. Efforts to reduce the cost of delivery while increasing the value added by all services are on-going in all divisions. In addition, the plan emphasizes analytics to ensure that results are in line with expectations.

As part of this process, the University has embarked upon a program prioritization effort. The process is guided by Dr. Robert C. Dickenson's conceptual framework and is in collaboration with the Idaho State Board of Education. Resulting information will be used to evaluate academic and non-academic activities and will provide a basis for strategically utilizing new resources as well as internally reallocating current resources. Results will be available to guide decision making for FY15 and beyond.

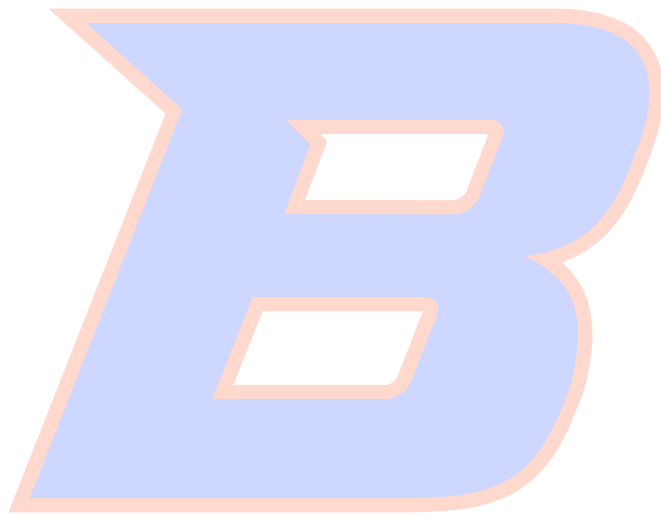


In addition to focusing on operational efficiency, the University has also targeted revenues and student cost as areas to address. After review of best practice, discussion with the student body leaders and the State Board of Education, Boise State has begun a move toward a “cost-based linear system” for tuition in which students eventually will pay equally for each credit instead of paying a lump sum for full-time or part-time tuition. The previous model charged students a flat rate for a plateau of credits between 12 and 18. The change will be implemented over several years to avoid an unreasonable impact to any individual group of students. The goals of the new system are to:

- More effectively cover the cost of increased enrollments in upper-division courses by charging tuition for each enrolled class and eliminate the current subsidy of full-time students by part-time students.
- Encourage students to complete courses for which they have registered. It is intended that credits above 13 would eventually be discounted preserving a financial incentive for students to complete their degrees in a timely manner.
- Dramatically improve the ability to implement cost accounting models to predict revenue streams and determine the monetary contribution of individual programs.

Scholarships to provide additional aid are also a strategic need. For the second year, the University swept a small portion of departmental ending reserves to create a pool of funding for initiatives benefitting the entire institution. This sweep will generate an additional \$1 million in funding for FY14 to provide new scholarship support for students. This provides immediate relief while plans for a new donor campaign are solidified.

Executive management remains focused on adopting best practices to improve delivery of a quality education to students at an affordable cost and on sound financial planning. The goal of current initiatives is to ensure that the University is focused and aligned with the needs of its students and the future economy into which they will graduate. The rate and breadth of growth seen in the last 8 years will slow going forward; however, strategic and targeted improvements will continue as the institution strives to reach its potential as a metropolitan research university.



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BOISE STATE UNIVERSITY STATEMENTS OF NET POSITION JUNE 30, 2013 AND JUNE 30, 2012

	University 2013	University 2012
ASSETS		
CURRENT ASSETS:		
Cash with treasurer	\$ 33,360,070	\$ 29,768,929
Cash and cash equivalents	5,165,136	7,875,088
Student loans receivable	1,575,000	1,395,700
Accounts receivable and unbilled charges, net	25,502,453	21,335,441
Prepaid expense	1,813,555	1,933,803
Inventories	3,223,066	3,308,682
Investments	69,477,145	53,358,883
Due from component units	2,068,732	3,675,826
Other current assets	335,634	329,378
Total current assets	142,520,791	122,981,730
NON-CURRENT ASSETS:		
Student loans receivable, net	8,858,650	9,311,743
Investments	25,589,937	51,105,524
Deferred bond financing costs	2,073,172	2,204,281
Capital assets, net	507,899,036	462,106,294
Other assets	209,069	291,010
Total non-current assets	544,629,864	525,018,852
TOTAL ASSETS	\$ 687,150,655	\$ 648,000,582

See notes to financial statements.



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BOISE STATE UNIVERSITY STATEMENTS OF NET POSITION (CONTINUED) JUNE 30, 2013 AND JUNE 30, 2012

	University 2013	University 2012
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 4,527,200	\$ 5,390,634
Due to state agencies	8,266,044	10,809,987
Accrued salaries and benefits payable	13,011,972	12,349,450
Compensated absences payable	7,571,544	7,097,294
Interest payable	2,504,167	2,792,146
Unearned revenue	15,988,459	13,590,797
Bonds payable	7,365,000	6,400,000
Notes payable	340,383	324,819
Obligations under capital lease	-	150,677
Obligations under capital lease - component unit	340,000	325,000
Other liabilities	2,043,659	2,303,838
Total current liabilities	61,958,428	61,534,642
NON-CURRENT LIABILITIES:		
Unearned revenue	1,429,499	1,590,954
Bonds payable	227,705,479	232,035,699
Notes payable	988,775	1,328,086
Obligations under capital lease	-	22,129
Obligations under capital lease - component unit	1,111,798	1,451,798
Net other post employment benefits obligation	7,854,138	7,035,166
Other liabilities	967,917	633,546
Total non-current liabilities	240,057,606	244,097,378
TOTAL LIABILITIES	302,016,034	305,632,020
NET POSITION:		
Net investment in capital assets	268,939,391	229,367,705
Restricted, expendable	14,553,946	13,944,050
Unrestricted	101,641,284	99,056,807
TOTAL NET POSITION	385,134,621	342,368,562
TOTAL LIABILITIES AND NET POSITION	\$ 687,150,655	\$ 648,000,582

See notes to financial statements.



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**BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2013 AND JUNE 30, 2012**

	Foundation 2013	Foundation 2012
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 4,753,923	\$ 1,595,155
Accrued interest and other receivables	634,336	437,492
Pledges receivable	8,893,099	10,272,054
Investment in lease - technology building current portion	368,112	353,494
Total current assets	14,649,470	12,658,195
NON-CURRENT ASSETS:		
Restricted cash and cash equivalents	5,255,214	4,869,800
Pledges receivable	4,433,078	11,756,860
Investments	115,728,962	115,962,331
Interest in perpetual trusts	2,791,346	2,793,868
Investments in real estate	474,384	9,812,835
Funds held by trustee	568,726	568,713
Investment in lease - technology building	1,200,119	1,568,231
Other assets	685,412	703,037
Total non-current assets	131,137,241	148,035,675
TOTAL ASSETS	\$ 145,786,711	\$ 160,693,870

See notes to financial statements.



BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2013 AND JUNE 30, 2012**

	Foundation 2013	Foundation 2012
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	\$ 1,774,263	\$ 1,554,641
Interest payable	24,488	36,698
Prepaid memberships and suites/press box	419,521	2,913,679
Liability for split interest trusts	122,968	119,252
Trust earnings payable to trust beneficiaries	20,364	20,364
Long-term liabilities - current portion	340,000	1,315,000
Deferred revenue - current portion	89,407	219,707
Total current liabilities	2,791,011	6,179,341
NON-CURRENT LIABILITIES:		
Bonds and certificates payable	3,555,000	5,983,000
Deferred revenue	854,025	879,189
Deferred suites/press box revenue	342,136	248,084
Liability under split interest trust agreements	1,722,665	1,657,778
Amounts held in custody for others	410,874	636,016
Trust earnings payable to trust beneficiaries	224,770	233,500
Total non-current liabilities	7,109,470	9,637,567
TOTAL LIABILITIES	9,900,481	15,816,908
NET ASSETS:		
Permanently restricted	67,986,609	65,063,804
Temporarily restricted	57,133,275	71,301,186
Unrestricted	10,766,346	8,511,972
TOTAL NET ASSETS	135,886,230	144,876,962
TOTAL LIABILITIES AND NET ASSETS	\$ 145,786,711	\$ 160,693,870

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FISCAL YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

	<u>University 2013</u>	<u>University 2012</u>
OPERATING REVENUES:		
Student fees, pledged for bonds	\$ 128,688,459	\$ 119,972,905
Scholarship allowance	<u>(22,095,100)</u>	<u>(20,910,400)</u>
Student fees, net	106,593,359	99,062,505
Federal grants and contracts (including \$4,645,772 and \$4,610,567 of revenues pledged for bonds in 2013 and 2012, respectively)	30,584,458	31,570,515
State and local grants and contracts (including \$307,703 and \$632,911 of revenues pledged for bonds in 2013 and 2012, respectively)	2,988,933	3,232,333
Private grants and contracts (including \$415,454 and \$178,557 of revenues pledged for bonds in 2013 and 2012, respectively)	5,205,243	4,143,848
Sales and services of educational activities, pledged for bonds	3,240,346	2,816,504
Sales and services of auxiliary enterprises, pledged for bonds	59,090,670	56,087,969
Other, pledged for bonds	<u>1,577,619</u>	<u>1,730,717</u>
Total operating revenues	<u>209,280,628</u>	<u>198,644,391</u>
OPERATING EXPENSES:		
Personnel cost	188,187,056	176,838,455
Services	38,899,660	35,868,060
Supplies	32,253,339	32,202,546
Insurance, utilities and rent	10,216,127	9,650,437
Scholarships and fellowships	23,430,076	25,569,961
Depreciation	23,020,159	20,636,420
Miscellaneous	<u>3,365,418</u>	<u>3,219,012</u>
Total operating expenses	<u>319,371,835</u>	<u>303,984,891</u>
OPERATING (LOSS) INCOME	<u>(110,091,207)</u>	<u>(105,340,500)</u>

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
FISCAL YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

	<u>University 2013</u>	<u>University 2012</u>
NON-OPERATING REVENUES (EXPENSES):		
State appropriations	\$ 76,642,592	\$ 69,502,205
Pell grants	29,513,422	31,439,501
Gifts (includes gifts from component unit equal to \$22,982,070 and \$15,478,377 in 2013 and 2012, respectively)	29,715,388	24,263,503
Net investment income (including \$483,682 and \$524,323 of revenues pledged by the University for bonds in 2013 and 2012, respectively)	495,953	529,807
Change in fair value of investments	(44,760)	26,341
Interest (net of capitalized interest by the University of \$557,176 and \$1,500,423 in 2013 and 2012, respectively)	(7,988,309)	(9,112,956)
Gain (loss) on retirement of capital assets	(481,783)	(447,162)
Other	(1,546,054)	1,805,873
Net non-operating revenues (expenses)	<u>126,306,449</u>	<u>118,007,112</u>
INCOME BEFORE OTHER REVENUES AND EXPENSES	<u>16,215,242</u>	<u>12,666,612</u>
OTHER REVENUES AND EXPENSES:		
Capital appropriations	14,642,576	866,951
Capital grants and gifts (includes gifts from component unit equal to \$11,205,221 and \$12,310,391 in 2013 and 2012, respectively)	11,908,241	12,652,274
Total other revenue	<u>26,550,817</u>	<u>13,519,225</u>
INCREASE IN NET POSITION	42,766,059	26,185,837
NET POSITION—Beginning of year	<u>342,368,562</u>	<u>316,182,725</u>
NET POSITION—End of year	<u>\$ 385,134,621</u>	<u>\$ 342,368,562</u>

See notes to financial statements.



BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2013**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Foundation 2013
OPERATING REVENUES:				
Gifts	\$ 2,164,526	\$ 11,142,590	\$ 3,081,777	\$ 16,388,893
In-kind contributions	12,183	16,533	-	28,716
BAA membership	3,895,661	3,409	-	3,899,070
Non-charitable income	314,855	3,912,470	888,724	5,116,049
Interest and dividends	1,311,818	1,946,666	-	3,258,484
Change in split interest trusts	-	(201,113)	7,436	(193,677)
Change in fair value of investments	(206,899)	5,706,814	-	5,499,915
Total revenues	7,492,144	22,527,369	3,977,937	33,997,450
Net assets released from restrictions through satisfaction of:				
Program restrictions	34,767,693	(34,767,693)	-	-
Write-off of pledges receivable	3,134,218	(2,038,163)	(1,096,055)	-
Board and donor designated transfers	2,568	(43,491)	40,923	-
Total operating revenues	45,396,623	(14,321,978)	2,922,805	33,997,450
OPERATING EXPENSES:				
Distribution of scholarships	4,107,991	-	-	4,107,991
Distribution of funds for academic programs	10,552,151	-	-	10,552,151
Donation of building to Boise State University	9,551,667	-	-	9,551,667
Distribution of funds for athletic programs:				
Program services	11,748,019	-	-	11,748,019
Fundraising expenses	98	-	-	98
Management and general	315,365	-	-	315,365
Uncollectable pledge expense	3,277,946	-	-	3,277,946
Administrative expense:				
Program services	436,474	-	-	436,474
Fundraising expenses	1,808,944	-	-	1,808,944
Management and general	1,082,484	-	-	1,082,484
Total operating expenses	42,881,139	-	-	42,881,139
OPERATING INCOME	2,515,484	(14,321,978)	2,922,805	(8,883,689)
NON-OPERATING REVENUES (EXPENSES):				
Lease income	31,164	79,238	-	110,402
Alumni center building expense	(29,018)	-	-	(29,018)
Amortization of deferred income	-	76,607	-	76,607
Interest on capital asset - related debt	(172,780)	(1,778)	-	(174,558)
Depreciation and amortization expense	(90,476)	-	-	(90,476)
Total non-operating revenues (expenses)	(261,110)	154,067	-	(107,043)
CHANGE IN NET ASSETS	2,254,374	(14,167,911)	2,922,805	(8,990,732)
NET ASSETS - Beginning of year	8,511,972	71,301,186	65,063,804	144,876,962
NET ASSETS - End of year	\$ 10,766,346	\$ 57,133,275	\$ 67,986,609	\$135,886,230

See notes to financial statements.



BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2012**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Foundation 2012
OPERATING REVENUES:				
Gifts	\$ 30,264	\$ 25,230,738	\$ 1,117,582	\$ 26,378,584
In-kind contributions	12,183	-	-	12,183
BAA membership	3,852,553	59,685	-	3,912,238
Non-charitable income	300,678	1,918,901	580,553	2,800,132
Interest and dividends	1,556,396	1,705,686	-	3,262,082
Change in split interest trusts	-	(204,618)	62,906	(141,712)
Change in fair value of investments	(1,059,583)	(2,051,836)	-	(3,111,419)
Total revenues	4,692,491	26,658,556	1,761,041	33,112,088
Contribution from Boise State Alumni Association	460,390	10,696	-	471,086
Total revenues and gains	5,152,881	26,669,252	1,761,041	33,583,174
Net assets released from restrictions through satisfaction of:				
Program restrictions	26,882,936	(26,882,936)	-	-
Write-off of pledges receivable	40,660	-	(40,660)	-
Board and donor designated transfers	(53,000)	(152,753)	205,753	-
Total operating revenues	32,023,477	(366,437)	1,926,134	33,583,174
OPERATING EXPENSES:				
Distribution of scholarships	3,682,459	-	-	3,682,459
Distribution of funds for academic programs	13,867,466	-	-	13,867,466
Distribution of funds for athletic programs:				
Program services	9,925,135	-	-	9,925,135
Fundraising expenses	7,943	-	-	7,943
Management and general	305,765	-	-	305,765
Uncollectable pledge expense	610,016	-	-	610,016
Administrative expense:				
Program services	493,944	-	-	493,944
Fundraising expenses	1,571,814	-	-	1,571,814
Management and general	954,586	-	-	954,586
Total operating expenses	31,419,128	-	-	31,419,128
OPERATING INCOME	604,349	(366,437)	1,926,134	2,164,046
NON-OPERATING REVENUES (EXPENSES):				
Lease income	31,164	162,411	-	193,575
Alumni center building expense	(34,385)	-	-	(34,385)
Amortization of deferred income	-	76,607	-	76,607
Interest on capital asset - related debt	(276,910)	-	-	(276,910)
Depreciation and amortization expense	(140,165)	-	-	(140,165)
Total non-operating revenues (expenses)	(420,296)	239,018	-	(181,278)
CHANGE IN NET ASSETS	184,053	(127,419)	1,926,134	1,982,768
NET ASSETS - Beginning of year	8,327,919	71,428,605	63,137,670	142,894,194
NET ASSETS - End of year	\$ 8,511,972	\$ 71,301,186	\$ 65,063,804	\$144,876,962

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
FISCAL YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

	University 2013	University 2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Student fees	\$ 105,670,609	\$ 98,367,445
Grants and contracts	37,802,783	38,414,168
Sales and services of educational activities	3,030,427	2,757,020
Sales and services of auxiliary enterprises	58,590,439	57,365,211
Other operating receipts	1,578,965	2,088,279
Payments to employees	(186,090,071)	(174,312,827)
Payments for services	(38,645,465)	(36,097,866)
Payments for supplies	(33,138,660)	(32,522,536)
Payments for insurance, utilities and rent	(10,111,533)	(9,575,632)
Payments for scholarships and fellowships	(23,426,751)	(25,565,308)
Loans issued to students	(1,373,996)	(1,586,155)
Collections of loans to students	1,465,155	1,268,966
Other payments	(3,009,894)	(2,797,741)
Net cash used in operating activities	(87,657,992)	(82,196,976)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
State appropriations	76,642,592	69,502,205
Pell grants	29,513,422	31,439,501
Gifts	31,302,261	22,523,452
Direct lending receipts	94,100,967	96,897,218
Direct lending payments	(94,100,967)	(96,897,218)
Net cash provided by non-capital financing activities	137,458,275	123,465,158
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital grants and gifts	4,476,039	10,901,391
Purchases of capital assets	(48,924,362)	(57,645,524)
Proceeds from notes and bonds payable	25,375,610	35,414,378
Principal paid on notes and bonds payable and capital leases	(27,322,712)	(24,346,534)
Interest paid on notes and bonds payable and capital leases	(10,515,957)	(8,822,444)
Payments for bond issuance costs	33,280	(64,352)
Other	(1,883,252)	1,459,178
Net cash used in capital and related financing activities	(58,761,354)	(43,103,907)

See notes to financial statements.

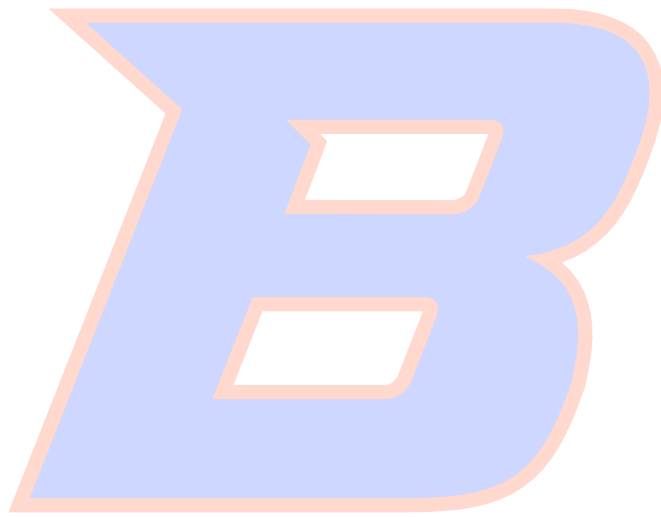


BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF CASH FLOWS (CONTINUED)
FISCAL YEARS ENDED JUNE 30, 2013 AND JUNE 30, 2012

	<u>University 2013</u>	<u>University 2012</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	\$ (271,322,363)	\$ (216,893,829)
Proceeds from sales and maturities of investments	280,222,980	212,921,688
Investment income	941,643	1,380,684
Net cash used by investing activities	<u>9,842,260</u>	<u>(2,591,457)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER	881,189	(4,427,182)
CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER—Beginning of year	<u>37,644,017</u>	<u>42,071,199</u>
CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER—End of year	<u>\$ 38,525,206</u>	<u>\$ 37,644,017</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH AND CASH EQUIVALENTS USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (110,091,207)	\$ (105,340,500)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	23,035,427	20,651,688
Changes in assets and liabilities:		
Accounts receivable and unbilled charges, net	(4,167,012)	(1,833,067)
Student loans receivable, net	273,793	(130,614)
Inventories	85,616	(934,760)
Other assets	354,217	(583,498)
Accounts payable and accrued liabilities	(1,414,970)	1,591,374
Accrued salaries and benefits payable	662,522	1,375,889
Compensated absences payable	474,250	452,347
Unearned revenue	2,236,207	1,442,067
Other post employment benefits obligation	818,972	942,166
Other liabilities	74,193	169,932
Net cash used in operating activities	<u>\$ (87,657,992)</u>	<u>\$ (82,196,976)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS:		
Assets donated to the University	<u>\$ 22,389,945</u>	<u>\$ 2,648,943</u>

See notes to financial statements.



**BOISE STATE
UNIVERSITY**



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The University is part of the public system of higher education in the State of Idaho. The system is considered part of the State of Idaho reporting entity, and is directed by the State Board of Education ("SBOE"), a body of eight members. Seven members are appointed and confirmed by the legislature. The elected State Superintendent of Public Instruction serves ex officio as the eighth member of the Board. The University is part of the primary government of the State of Idaho and is included in the State's Comprehensive Annual Financial Report ("CAFR") within the Business-Type Activities/Enterprise Funds. The CAFR may be obtained from the State Controller located at:

Office of the Idaho State Controller
700 W State Street, 4th Floor
P.O. Box 83702
Boise, Idaho 83702-0011
www.sco.idaho.gov

The financial statements for fiscal years ended June 30, 2013 and June 30, 2012 are prepared in accordance with Governmental Accounting Standards Board ("GASB") principles. The University considers component units with net assets greater than 5% of the University's net assets to be significant. As such, the Boise State University Foundation, Inc. (the "Foundation") is discretely presented for the fiscal years ended June 30, 2013 and 2012. The Foundation was established for the purpose of soliciting donations for the exclusive benefit of the University. Financial statements of the Foundation may be obtained from the Vice President for Finance and Administration at the University. The Foundation's financial statements are prepared in accordance with Financial Accounting Standards Board ("FASB") pronouncements.

Basis of Accounting - For financial reporting purposes, the University is considered a special-purpose government engaged only in business type activities. Accordingly, the University's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting in accordance with GAAP. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

The Foundation is a legally separate, private non-profit organization that reports under FASB standards. As such, certain revenue recognition criteria and presentation are different from GASB revenue recognition criteria and presentation. Accordingly, those financial statements have been reported on separate pages following the respective counterpart financial statements of the University. No modifications have been made to the Foundation's financial information included in the University's financial report.



Cash with Treasurer - Balances classified as Cash with Treasurer are amounts that have been remitted to the State of Idaho as a result of the student fee collection process and, once remitted, are under the control of the State Treasurer.

Cash and Cash Equivalents - The University considers all liquid investments with a remaining maturity of three months or less at the date of acquisition to be cash equivalents.

Inventories - Inventories, consisting primarily of bookstore inventories, are valued at the lower of first-in, first-out ("FIFO") cost or market.

Investments - The University accounts for its investments at fair value. Changes in unrealized gains or losses on the carrying value of investments are reported as a component of change in fair value of investments in the statement of revenues, expenses, and changes in net position. Investments externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other non-current assets as well as investment amounts of maturities that exceed one year, are classified as non-current assets in the statement of net position. The University deposits funds for investment with the Idaho State Treasury. Funds deposited with the State Treasury can be subject to securities lending transactions initiated by the State Treasury.

Capital Assets, net - Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated fair value at the date of gift. The University's capitalization policy includes all tangible items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Intangible assets with a unit cost of \$200,000 or more, and an estimated useful life of greater than one year, are recorded as capital assets. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40 to 50 years for buildings, 20 to 25 years for land improvements, 5 to 20 years for intangibles, 10 years for library books, and 5 to 13 years for equipment.

The University has certain collections that it does not capitalize, including the Nell Shipman Film Collection and Albertson's Library Special Collections. These collections adhere to the University's policy to (a) maintain them for public exhibition, education or research; (b) protect, keep unencumbered, care for, and preserve them; and (c) require proceeds from their sale to be used to acquire other collection items. Generally accepted accounting principles permit collections maintained in this manner to be charged to operations at the time purchased rather than capitalized.



Non-current Liabilities – Non-current liabilities include principal amounts of revenue bonds payable, notes payable, and long-term capital lease obligations, net other post-employment benefit obligations, non-current unearned revenue, and presented in other liabilities are deferred compensation plans.

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

Net Investment in Capital Assets - This represents the University's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

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

Unrestricted - Unrestricted net position represents equity in assets derived mainly from student fees, sales and services of educational departments, auxiliary enterprises, and state appropriations. These resources are used for transactions related to the educational and general operations of the University, and may be used to meet current expenses for any lawful purpose and in accordance with SBOE policy.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the expense allocation is made on a case by case basis. Restricted resources remain classified as such until spent.

Income and Unrelated Business Income Taxes - The University is excluded from federal income taxes under Section 115 of the Internal Revenue Code, per determination letter dated April 21, 1989. The University is subject to tax on its unrelated business income. Defined by the Internal Revenue Code, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the performance by the organization of its exempt purpose or function.

Classification of Revenues and Expenses - The University classifies its revenue and expenses as operating or non-operating according to the following criteria. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the University's principal ongoing operations. Operating revenues include activities that have characteristics of exchange transactions, such as (1) student fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, (3) most federal, state and local grants and contracts that are essentially contracts for services, and (4) interest earned on institutional student loans. Non-operating revenues and expenses include activities that have characteristics of non-exchange transactions. Non-operating revenues and expenses include state appropriations, Pell grants, private gifts for other than capital purposes, investment income, net unrealized appreciation or depreciation in the fair value of investments, interest expense and gain or loss on the disposal of capital assets and other non-exchange transactions.



Scholarship Discounts/Allowances - Student fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or other third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state or non-governmental programs, are recorded as either operating or non-operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy student fees and related charges, the University has recorded a scholarship discount or allowance.

Use of Accounting Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements, and revenues and expenses during the year. Actual results could differ from those estimates.

Reclassifications – Certain prior year balances have been reclassified to conform to the current year presentation.

New Accounting Standards - In March, 2012, the GASB issued Statement No. 65, "Items Previously Reported as Assets and Liabilities". This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognized, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Management has not yet determined the impact this standard will have on the University's financial statements. The requirements of this Statement are effective for the fiscal year ended June 30, 2014.

In March, 2012, the GASB issued Statement No. 66, "Technical Corrections – 2012". The requirements of this Statement resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. Management has not yet determined the impact this standard will have on the University's financial statements. The requirements of this Statement are effective for the fiscal year ended June 30, 2014.

In June, 2012, the GASB issued Statement No. 67, "Financial Reporting for Pension Plans". The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by the pension plans that are within its scope. The new information will enhance the decision-usefulness of the financial reports of these pension plans, their value for assessing accountability, and their transparency by providing information about measures of net pension liabilities and explanations of how and why those liabilities changed from year to year. Management has not yet determined the impact this



standard will have on the University's financial statements. The requirements of this Statement are effective for the fiscal year ended June 30, 2014.

In June, 2012, the GASB issued Statement No. 68, "Accounting and Financial Reporting for Pensions". The requirements of this Statement will improve the decision-useful-ness of information in employer and governmental non-employer contributing entity financial reports and will enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. Management has not yet determined the impact this standard will have on the University's financial statements. The requirements of this Statement are effective for the fiscal year ended June 30, 2015.





2. CASH WITH TREASURER, CASH AND CASH EQUIVALENTS, OTHER DEPOSITS, AND INVESTMENTS

Deposits - Cash with treasurer is under the control of the State Treasurer and is carried at cost. Cash and cash equivalents include cash on hand of \$129,852 and \$120,662 as of June 30, 2013 and 2012, respectively and amounts deposited with federally chartered institutions carried at cost. Custodial credit risk is the risk that in the event of a financial institution failure, the deposits may not be returned. The State's policy for managing custodial credit risk can be found in the Idaho Code, Section 67-2739. Cash that is restricted in purpose from an external source and is not expected to be utilized within the next fiscal year is reported on the financial statements as restricted cash and as a non-current asset.

Basis of Custodial Credit Risk As of June 30		
	2013	2012
Insured	\$ 250,000	\$ 2,888,190
Uncollateralized	409,419	-
Collateralized by securities held by the pledging financial institution	4,375,865	4,866,235
Total deposits	\$ 5,035,284	\$ 7,754,425

Investments - Idaho Code, Section 67-1210, limits credit risk by restricting the investment activities of the Local Government Investment Pool ("LGIP") and state agencies. Idaho Code also gives the SBOE the authority to establish investment policies for the University. Section V, Subsection D of the Idaho SBOE Governing Policies and Procedures authorizes investments in all of the investment types substantially similar for the State Treasurer.

Objectives of the University's investment policy are, in order of priority, safety of principal, ensuring necessary liquidity, and achieving a maximum return. Covenants of certain bond resolutions also restrict investment of related funds to U.S. Government or government-guaranteed securities. The University invests in external investment pools managed by both State of Idaho and other fixed rate investment fund managers. The State's investment pool is managed by the State Treasurer's Office in compliance with Idaho Code, Sections 67-1201 through 67-1222. Additional information about LGIP may be obtained from the State's CAFR.

The University had original cost of \$56,777,479 and \$78,604,739 invested in the State's external pools as of June 30, 2013 and 2012, respectively.

Credit Risk of Debt Securities - The risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard and Poor's, and Fitch's. Ratings, as of June 30, are presented on the following page using the Moody's scale. AAA ratings signify that the portfolio holdings are judged to be of the highest quality, subject to the



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lowest level of credit risk. Moody's has a separate rating scale for short-term debt obligations, including commercial paper. The P-1 rating is Prime-1 for issuers having a superior ability to repay short-term debt obligations.

Credit Risk of Debt Securities As of June 30, 2013 (Dollars in Thousands)								
Investment Type	Fair Value	AAA	AA	A	BAA	P-1	Unrated	
External investment pool	\$ 56,777	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,777
Corporate notes and bonds	29,825	-	1,202	25,617	3,006	-	-	-
Federal Home Loan Bank	2,500	2,500	-	-	-	-	-	-
Commercial paper	4,997	-	-	-	-	4,997	-	-
	94,099	2,500	1,202	25,617	3,006	4,997	-	56,777
Investments held on behalf of employee benefit plans:								
- Bond/equity mutual funds	471	-	-	-	-	-	-	471
- Equity mutual funds	405	-	-	-	-	-	-	405
- Income mutual funds	92	-	-	-	-	-	-	92
	968	-	-	-	-	-	-	968
Total investments	\$ 95,067	\$ 2,500	\$ 1,202	\$ 25,617	\$ 3,006	\$ 4,997	\$ -	\$ 57,745
% of Total	100%	3%	1%	27%	3%	5%	-	61%

Credit Risk of Debt Securities As of June 30, 2012 (Dollars in Thousands)								
Investment Type	Fair Value	AAA	AA	A	BAA		Unrated	
External investment pool	\$ 78,605	\$ -	\$ -	\$ -	\$ -		\$ -	\$ 78,605
Corporate notes and bonds	21,230	-	-	14,141	7,089		-	-
US Treasury notes and bonds	2,493	2,493	-	-	-		-	-
Federal Home Loan Bank	1,503	1,503	-	-	-		-	-
Commercial paper	-	-	-	-	-		-	-
	103,831	3,996	-	14,141	7,089		-	78,605
Investments held on behalf of employee benefit plans:								
- Bond/equity mutual funds	324	-	-	-	-		-	324
- Equity mutual funds	244	-	-	-	-		-	244
- Income mutual funds	65	-	-	-	-		-	65
	633	-	-	-	-		-	633
Total investments	\$ 104,464	\$ 3,996	\$ -	\$ 14,141	\$ 7,089		\$ -	\$ 79,238
% of Total	100%	4%	0%	13%	7%		-	76%



Concentration of Credit Risk - When investments are concentrated in one issuer, the concentration represents heightened risk of potential loss. No specific percentage identifies when concentration of risk is present. The GASB has adopted a principle that governments should provide note disclosure when 5% of the total government investments are concentrated in any one issuer. Investments in obligations explicitly guaranteed by the U.S. Government, mutual funds, and other pooled investments are exempt from disclosure. As of June 30, 2013, 25% of the University's investments were concentrated with five issuers; each with a 5% concentration that matures within the next fiscal year. Four of the five concentrations were comprised of A-rated corporate bonds with American Express Credit Corporation, Capital One Bank (USA) N.A., JPMorgan Chase & Co. and The Goldman Sachs Group, Inc. The fifth concentration was comprised of a short term P-1 rated commercial paper with ING (U.S.) Funding LLC. As of June 30, 2012, the University had no investments where 5% or more of its investments were concentrated with a single-issuer. The University is subject to policies as defined by the State of Idaho with respect to investments. The University has not adopted a formal policy addressing interest rate and concentration of credit risk.



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Interest Rate Risk - Investments in debt securities that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rates. Approximately 0.01% of total investments are invested in securities with maturities longer than 1 year as of June 30, 2013.

Investment Maturities in Years As of June 30, 2013 (Dollars in Thousands)							
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	11 to 15	16 to 20	21 to 25
External investment pool	\$ 56,777	\$ 56,768	\$ 9	\$ -	\$ -	\$ -	\$ -
Corporate notes and bonds	29,825	29,825	-	-	-	-	-
US Treasury notes and bonds	-	-	-	-	-	-	-
Federal Home Loan Bank	2,500	2,500	-	-	-	-	-
Commercial paper	4,997	4,997	-	-	-	-	-
	<u>94,099</u>	<u>94,090</u>	<u>9</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments held on behalf of employee benefit plans:							
- Bond/equity mutual funds	471	471	-	-	-	-	-
- Equity mutual funds	405	405	-	-	-	-	-
- Income mutual funds	92	92	-	-	-	-	-
	<u>968</u>	<u>968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 95,067</u>	<u>\$ 95,058</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment Maturities in Years As of June 30, 2012 (Dollars in Thousands)							
Investment Type	Fair Value	Less than 1	1 to 5	6 to 10	11 to 15	16 to 20	21 to 25
External investment pool	\$ 78,605	\$ 78,605	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate notes and bonds	21,230	15,750	5,480	-	-	-	-
US Treasury notes and bonds	2,493	-	2,493	-	-	-	-
Federal Home Loan Bank	1,503	1,503	-	-	-	-	-
Commercial paper	-	-	-	-	-	-	-
	<u>103,831</u>	<u>95,858</u>	<u>7,973</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments held on behalf of employee benefit plans:							
- Bond/equity mutual funds	324	324	-	-	-	-	-
- Equity mutual funds	244	244	-	-	-	-	-
- Income mutual funds	65	65	-	-	-	-	-
	<u>633</u>	<u>633</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>\$ 104,464</u>	<u>\$ 96,491</u>	<u>\$ 7,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investment Custodial Credit Risk - The University's investment securities are exposed to custodial credit risk if the securities are (i) uninsured, (ii) are not registered in the name of the University, or (iii) if they are held by either the counterparty or the counterparty's trust department or agent but not in the University's name. While none of the University's investments are insured, the University's investments are either held in the University's name or the investments are not securities that exist in book entry or physical form.



3. ACCOUNTS RECEIVABLE AND UNBILLED CHARGES, NET

Accounts receivable and unbilled charges refer to the portion due to the University, as of June 30 by various customers, students and constituencies of the University as a result of providing services to said groups.

Accounts Receivable and Unbilled Charges as of June 30	2013	2012
Student fees and third party receivables	\$ 16,158,292	\$ 13,866,340
Auxiliary enterprises and other operating activities	1,578,807	1,472,274
Federal, state, and private grants and contracts	3,514,852	2,461,126
Unbilled charges	8,515,213	7,336,353
Accounts receivable and unbilled charges	29,767,164	25,136,093
Less allowance for doubtful accounts	(4,264,711)	(3,800,652)
Accounts receivable and unbilled charges, net	\$ 25,502,453	\$ 21,335,441



4. STUDENT LOANS RECEIVABLE

Student loans made through the Federal Perkins Loan Program (the “Program”) comprise substantially all of the loans receivable as of June 30, 2013 and 2012. The Program provides a cancellation benefit to borrowers at rates of 10% to 30% per year up to maximum of 100% if the participant complies with certain provisions. The Federal Government reimburses the University for amounts cancelled under these provisions. However, since 2009 the Federal Government has not appropriated funds to reimburse cancellations. Loans receivable from students bear interest at rates ranging from 5% to 10% and are generally repayable in installments to the University over a 5 to 10 year period commencing 3 or 9 months after the date of separation from the University. The University outsources the loan servicing to a third party vendor. As the University determines that loans are uncollectible and not eligible for reimbursement by the Federal Government, the loans are written off and assigned to the U.S. Department of Education. In the event the University should withdraw from the Program or the Federal Government was to cancel the Program, the University would be required to repay \$8,209,463 as of June 30, 2013.

Student Loans Receivable as of June 30	2013	2012
Student loans receivable - current	\$ 1,575,000	\$ 1,395,700
Student loans receivable - non-current	8,971,550	9,421,643
Student loans receivable	10,546,550	10,817,343
Less allowance for doubtful accounts	(112,900)	(109,900)
Student loans receivable, net	\$ 10,433,650	\$ 10,707,443



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5. CAPITAL ASSETS, NET

Following are the changes in capital assets for the fiscal year ended June 30, 2013:

	2013 (Dollars in Thousands)				
	Balance July 1, 2012	Additions	Transfers	Retirements	Balance June 30, 2013
Capital assets not being depreciated:					
Land	\$ 51,632	\$ 11,627	\$ -	\$ -	\$ 63,259
Construction in progress	73,123	45,199	(83,969)	-	34,353
Total assets not being depreciated	\$ 124,755	\$ 56,826	\$ (83,969)	\$ -	\$ 97,612
Other capital assets:					
Building and improvements	\$ 448,343	\$ 6,132	\$ 78,935	\$ (356)	\$ 533,054
Furniture and equipment	57,771	4,618	943	(1,864)	61,468
Library materials	33,189	1,876	-	(1,961)	33,104
Intangibles	15,822	-	4,091	-	19,913
Total other capital assets	555,125	12,626	83,969	(4,181)	647,539
Less accumulated depreciation:					
Buildings and improvements	(141,429)	(14,431)	-	285	(155,575)
Furniture and equipment	(38,183)	(5,568)	-	1,678	(42,073)
Library materials	(24,691)	(1,779)	-	1,579	(24,891)
Intangibles	(13,471)	(1,242)	-	-	(14,713)
Total accumulated depreciation	(217,774)	(23,020)	-	3,542	(237,252)
Other capital assets, net	\$ 337,351	\$ (10,394)	\$ 83,969	\$ (639)	\$ 410,287
Capital assets summary:					
Capital assets not being depreciated	\$ 124,755	\$ 56,826	\$ (83,969)	\$ -	\$ 97,612
Other capital assets at cost	555,125	12,626	83,969	(4,181)	647,539
Total cost of capital assets	679,880	69,452	-	(4,181)	745,151
Less accumulated depreciation	(217,774)	(23,020)	-	3,542	(237,252)
Capital assets, net	\$ 462,106	\$ 46,432	\$ -	\$ (639)	\$ 507,899

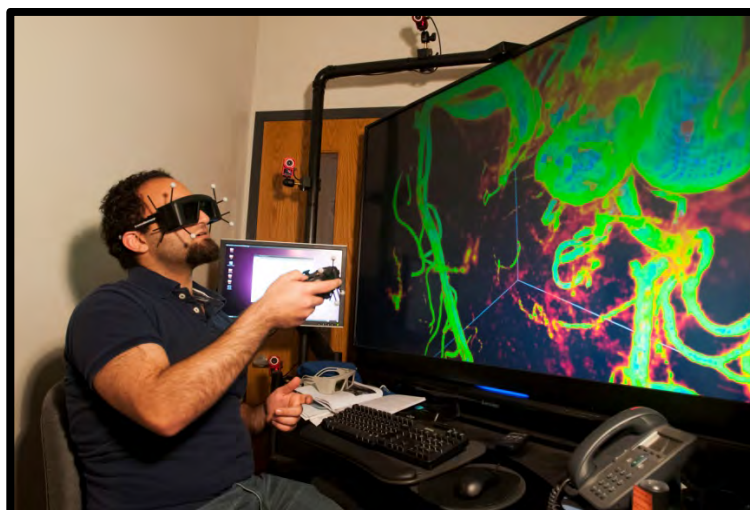
In addition to accounts payable for construction costs, the estimated cost to complete property authorized or under construction at June 30, 2013 is \$19,700,823. These costs will be funded by construction proceeds from outstanding debt and available reserves.



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Following are the changes in capital assets for the year ended June 30, 2012:

2012 (Dollars in Thousands)					
	Balance July 1, 2011	Additions	Transfers	Retirements	Balance June 30, 2012
Capital assets not being depreciated:					
Land	\$ 48,229	\$ 3,403	\$ -	\$ -	\$ 51,632
Construction in progress	52,255	51,933	(31,065)	-	73,123
Total assets not being depreciated	\$ 100,484	\$ 55,336	\$ (31,065)	\$ -	\$ 124,755
Other capital assets:					
Building and improvements	\$ 417,872	\$ 55	\$ 30,987	\$ (571)	\$ 448,343
Furniture and equipment	54,305	5,360	78	(1,972)	57,771
Library materials	32,969	2,097	-	(1,877)	33,189
Intangibles	15,822	-	-	-	15,822
Total other capital assets	520,968	7,512	31,065	(4,420)	555,125
Less accumulated depreciation:					
Buildings and improvements	(129,257)	(12,424)	-	252	(141,429)
Furniture and equipment	(34,689)	(5,290)	-	1,796	(38,183)
Library materials	(24,355)	(1,824)	-	1,488	(24,691)
Intangibles	(12,368)	(1,103)	-	-	(13,471)
Total accumulated depreciation	(200,669)	(20,641)	-	3,536	(217,774)
Other capital assets, net	\$ 320,299	\$ (13,129)	\$ 31,065	\$ (884)	\$ 337,351
Capital assets summary:					
Capital assets not being depreciated	\$ 100,484	\$ 55,336	\$ (31,065)	\$ -	\$ 124,755
Other capital assets at cost	520,968	7,512	31,065	(4,420)	555,125
Total cost of capital assets	621,452	62,848	-	(4,420)	679,880
Less accumulated depreciation	(200,669)	(20,641)	-	3,536	(217,774)
Capital assets, net	\$ 420,783	\$ 42,207	\$ -	\$ (884)	\$ 462,106





6. UNEARNED REVENUE

Unearned revenue includes amounts received for prepaid ticket sales, auxiliary enterprise revenue received not earned, student fees, grant and contract revenue, a school district land swap and other amounts received prior to the end of the fiscal year that will be earned in subsequent years. In 2007, the University exchanged parcels of land with the Boise School District ("the District"). The difference between the appraised values of the parcels was recorded as unearned revenue, to be amortized as the District uses University facilities for sporting events. Student fees represent the portion of summer school revenues related to the number of days of instruction in the subsequent fiscal year and prepaid fall semester fees.

Unearned revenue as of June 30	2013	2012
Prepaid ticket sales and auxiliary enterprises	\$ 7,001,130	\$ 6,897,848
Student fees	4,356,154	3,448,156
Grants and contracts	4,095,071	2,838,337
School district land swap	1,262,177	1,361,750
Other unearned revenue	703,426	635,660
Unearned revenue	\$ 17,417,958	\$ 15,181,751





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7. LONG-TERM LIABILITIES

Following are the changes in bonds and notes payable, capital leases, non-current unearned revenue, other post-employment benefit obligations, and other liabilities for the fiscal years ended June 30, 2013 and 2012:

	2013 (Dollars in Thousands)				
	Ending Balance July 1, 2012	Additions	Reductions	Ending Balance June 30, 2013	Amounts due within one year
Long-term debt:					
Revenue bonds payable	\$ 235,340	\$ 25,955	\$ (26,595)	\$ 234,700	\$ 7,365
Basis adjustment arising from defeasance	(3,570)	(1,774)	844	(4,500)	-
Premium on revenue bonds	6,666	1,195	(2,991)	4,870	-
Notes payable	1,653	-	(324)	1,329	340
Capital lease obligations	173	-	(173)	-	-
Capital lease obligations - component unit	1,777	-	(325)	1,452	340
Total long-term debt	242,039	25,376	(29,564)	237,851	8,045
Other liabilities:					
Non-current unearned revenue	1,591	-	(161)	1,430	-
Net other post employment benefits	7,035	819	-	7,854	-
Non-current other	633	335	-	968	-
Total other liabilities	9,259	1,154	(161)	10,252	-
Long-term liabilities	\$ 251,298	\$ 26,530	\$ (29,725)	\$ 248,103	\$ 8,045

	2012 (Dollars in Thousands)				
	Ending Balance July 1, 2011	Additions	Reductions	Ending Balance June 30, 2012	Amounts due within one year
Long-term debt:					
Revenue bonds payable	\$ 225,295	\$ 33,330	\$ (23,285)	\$ 235,340	\$ 6,400
Basis adjustment arising from defeasance	(2,338)	(1,588)	356	(3,570)	-
Premium on revenue bonds	3,576	3,647	(557)	6,666	-
Notes payable	1,961	-	(308)	1,653	325
Capital lease obligations	271	26	(124)	173	151
Capital lease obligations - component unit	2,082	-	(305)	1,777	325
Total long-term debt	230,847	35,415	(24,223)	242,039	7,201
Other liabilities:					
Non-current unearned revenue	1,804	-	(213)	1,591	-
Net other post employment benefits	6,093	942	-	7,035	-
Non-current other	416	217	-	633	-
Total other liabilities	8,313	1,159	(213)	9,259	-
Long-term liabilities	\$ 239,160	\$ 36,574	\$ (24,436)	\$ 251,298	\$ 7,201



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8. BONDS AND NOTES PAYABLE

The University issues bonds to finance a portion of the construction of academic and auxiliary facilities. The University is required by bonding resolution to establish a Rebate Fund to be held and administered by the University, separate and apart from other funds and accounts of the University. The University shall make deposits into the Rebate Fund of all amounts necessary to make payments of arbitrage due to the United States. The University had no arbitrage liability as of June 30, 2013 and 2012. All bonds are at parity and are senior to notes payable. Management believes the University is in compliance with all bond covenants as of June 30, 2013 and 2012. During the fiscal year ended June 30, 2013, the University issued \$14,195,000, at par, of tax-exempt General Revenue Bonds, Series 2013A and \$11,760,000, at par, of taxable General Revenue Bonds, Series 2013B. Proceeds of the 2013A Bond in the amount of \$140,812 were received by the University for cost of issuance and \$15,249,048 (including net premium of \$1,194,864) were deposited in trust to refund portions of the 2004 and 2005 General Revenue Bonds. Proceeds of the 2013B Bond in the amount of \$5,409,587 were received by the University for property acquisition and cost of issuance, and \$6,350,413 were deposited in trust to refund a portion of the 2005 General Revenue Bond. The aggregate difference in debt service between the refunding debt and refunded debt was \$3,263,337 and the net present value of the savings due to refunding was \$2,563,457.

Notes Payable - Outstanding:

Notes Payable	June 30, 2013 (Dollars in Thousands)						
	Original Face Value	Terms	Interest Rate	Maturity Date	Collateralized by	Outstanding Balance 2013	Outstanding Balance 2012
2006 Bank note payable	\$ 3,381	11 year monthly amortization	4.77%	2016	(1)	\$ 1,329	\$ 1,653
Total Notes Payable						<u>\$ 1,329</u>	<u>\$ 1,653</u>

(1) Bronco Athletic Association guarantee

Notes Payable - Principal and interest maturities as of June 30, 2013 are as follows:

	Notes Payable 2013 (Dollars in Thousands)		
	Principal	Interest	Total
2014	\$ 340	\$ 55	\$ 395
2015	357	39	396
2016	374	22	396
2017	258	4	262
Total	<u>\$ 1,329</u>	<u>\$ 120</u>	<u>\$ 1,449</u>



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Bonds Payable - Outstanding:

Bond Issue	June 30, 2013 (Dollars in Thousands)					
	Original Face Value	Range of Annual Principal Amounts	Range of Semi Annual Interest Percentages	Maturity Date	Outstanding Balance 2013	Outstanding Balance 2012
General Revenue Bonds, Series 2013A	\$ 14,195	\$ 65 - \$1,300	2.000% - 5.000%	2033	\$ 14,195	\$ -
General Revenue Bonds, Series 2013B	\$ 11,760	\$ 550 - \$2,575	0.670% - 2.836%	2023	11,760	-
General Revenue Bonds, Series 2012A	\$ 33,330	\$ 305 - \$3,455	2.000% - 5.000%	2042	33,025	33,330
General Revenue Bonds, Series 2010A	\$ 1,195	\$ 285 - \$ 315	3.000% - 4.000%	2015	615	910
General Revenue Bonds, Series 2010B	\$ 12,895	\$ 325 - \$ 795	3.940% - 6.310%	2040	12,895	12,895
General Revenue Bonds, Series 2009A	\$ 42,595	\$ 720 - \$2,870	3.250% - 5.000%	2039	32,780	35,650
General Revenue Bonds, Series 2007A	\$ 96,365	\$ 145 - \$7,880	4.000% - 5.000%	2037	96,065	96,220
General Revenue Bonds, Series 2007B	\$ 25,860	\$ 510 - \$1,760	4.000% - 5.000%	2037	25,860	25,860
General Revenue Bonds, Series 2007C	\$ 2,850	\$ 125 - \$ 600	5.210% - 5.210%	2014	125	725
General Revenue Bonds, Series 2005A	\$ 21,925	\$ 140 - \$2,695	3.750% - 5.000%	2034	6,195	17,435
General Revenue Bonds, Series 2004A	\$ 31,480	\$ 725 - \$2,205	4.000% - 5.000%	2033	1,185	11,990
General Revenue Bonds, Series 2003	\$ 6,620	\$ 310 - \$1,715	4.000% - 5.000%	2017	-	325
Bonds before premium					234,700	235,340
Premium on bonds (including basis adjustments)					370	3,096
Total bonds outstanding					\$ 235,070	\$ 238,436

Bonds Payable - Principal and interest maturities as of June 30, 2013 are as follows:

Bonds Payable 2013 (Dollars in Thousands)				
	Principal		Interest	Total
2014	\$	7,365	\$ 10,254	\$ 17,619
2015		7,770	10,014	17,784
2016		8,155	9,698	17,853
2017		8,505	9,379	17,884
2018		8,980	9,067	18,047
2019-2023		47,605	39,888	87,493
2024-2028		39,645	30,485	70,130
2029-2033		48,750	20,983	69,733
2034-2038		51,025	8,511	59,536
2039-2043		6,900	687	7,587
Total	\$	234,700	\$ 148,966	\$ 383,666



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Extinguished Debt - As of June 30, 2013, debt in the amount of \$33,665,000 is considered extinguished through refunding of prior issues by a portion of the current issues. Escrowed funds are held in trust in the amount of \$35,629,432 for the payment of maturities on refunded bonds.

Refunded Bond Issue	Bonds Payable 2013			
	Original Issue Amount	Principal Payments	Defeased Amount	Defeased Liability Outstanding
2003 General Revenue Bond	\$ 6,620,000	\$ 6,620,000	\$ 4,030,000	\$ -
2004 General Revenue Bond	31,480,000	7,105,000	23,190,000	23,190,000
2005 General Revenue Bond	21,925,000	5,255,000	10,475,000	10,475,000
Total	\$ 60,025,000	\$ 18,980,000	\$ 37,695,000	\$ 33,665,000

Neither the debt nor the escrowed assets are reflected in the University's financial statements.

Pledged Revenue - The University has pledged certain revenues as collateral for debt instruments. The pledged revenue amounts and coverage requirements are as follows for the year ended June 30, 2013:

Pledged revenues:	2013
Student fees	\$ 128,688,459
Rentals	10,506,297
Residence dining income	4,158,252
Other	1,577,618
Sales & service	47,666,466
F&A recovery	4,515,382
Investment income	460,150
Total pledged revenue	197,572,624
Less operations and maintenance	(69,900,697)
Pledged revenues, net	\$ 127,671,927
Debt service	\$ 17,006,064
Debt service coverage	751%
Coverage requirement	110%



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9. LEASE OBLIGATIONS

Capital Lease Obligations - The University has entered into a capital lease agreement covering one building. Assets under capital lease are included in capital assets, net of depreciation. Amortization of assets under capital lease is included in depreciation expense. These amounts are included in capital assets.

The University leases a building from the Foundation. Future minimum capital lease obligations under these agreements as of June 30, 2013, are as follows:

2013 (Dollars in Thousands)	
Future minimum capital lease obligations	
2014	\$ 425
2015	427
2016	428
2017	399
2018	6
Total minimum obligations	1,685
Less interest	(233)
Present value of minimum obligations	\$ 1,452





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Following are the book value, accumulated depreciation, and net book value for capitalized leased assets as of June 30, 2013:

Assets under capital leases:	Book Value	Accumulated Depreciation	Net Book Value
Buildings and improvements	\$ 8,043	\$ (3,989)	\$ 4,054

Operating Lease Obligations - The University has entered into various non-cancellable operating lease agreements covering certain equipment. The lease terms range from one to five years. The expense for operating leases was \$413,474 for the year ended June 30, 2013 and \$299,138 for the year ended June 30, 2012.

Future minimum lease payments on non-cancellable leases at June 30, 2013 are as follows:

Future minimum operating lease obligations	
2014	\$ 609,208
2015	430,301
2016	285,958
2017	88,408
2018	45,214
Total future minimum operating lease obligations	\$ 1,459,089





10. RETIREMENT PLANS AND TERMINATION PAYMENTS

Public Employee Retirement System of Idaho - The Public Employee Retirement System of Idaho (PERSI) administers the PERSI Base Plan which is a cost-sharing, multiple-employer defined benefit retirement plan governed by Idaho Code, Sections 59-1301 through 59-1399. The funding policy, including contribution and vesting requirements, for the PERSI Base Plan is determined by the PERSI Retirement Board as defined by Idaho law. PERSI issues a publicly available financial report that includes financial statements and required supplementary information. The annual financial report may be obtained by visiting www.persi.idaho.gov or by writing to Public Employee Retirement System of Idaho, P.O. Box 83720, Boise, Idaho 83720-0078.

The PERSI Base Plan requires that both the members and the employer contribute. These contributions, in addition to earnings from investments, fund the PERSI Base Plan benefits. The benefits were established and may be amended by the Idaho State Legislature. Members become fully vested in retirement benefits earned to date after five years of credited service. The benefit structure is based on each member's years of service, age, and highest average salary. In addition, benefits are provided for disability or death, and to survivors of eligible members or beneficiaries. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification or a combination of age plus service.

The annual service retirement allowance for each month of credited service is 2% of the average monthly salary for the highest consecutive 42 months. Approximately 904 employees contribute to this plan.

Employer contributions to PERSI are made as set forth in Section 59-1322 of Idaho Code, and described in Section 59.01.03 of the Idaho Administrative Procedure Act. Employee contributions are set at 60% of employer contributions per Section 59-1333 of Idaho Code. Contributions for the three fiscal years ended June 30 are as follows:

PERSI:	2013	2012	2011
University contributions required and paid	\$ 2,841,366	\$ 2,707,520	\$ 2,649,006
Employee contributions	1,703,857	1,623,553	1,588,467
Total contributions	\$ 4,545,223	\$ 4,331,073	\$ 4,237,473
University required contribution rate	10.39%	10.39%	10.39%
Percentage of covered payroll for employees	6.23%	6.23%	6.23%

Optional Retirement Plan (ORP) - Effective July 1, 1990, the Idaho State Legislature authorized the Idaho State Board Education to establish an Optional Retirement Plan (ORP), a defined contribution plan for faculty and professional employees. The ORP is governed by Idaho Code, Sections 33-107A and 33-107B.



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New faculty and professional employees hired July 1, 1990 or thereafter automatically enroll in the ORP and select their vendor option. Vendor options include Teachers Insurance and Annuity Association – College Retirement Equities and Variable Annuity Life Insurance Company. Faculty and professional employees hired before July 1, 1990, had a one-time opportunity to enroll in the ORP. Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 55 years of age.

The employee contribution requirement for the ORP is based on a percentage of total covered compensation. Employer contributions are determined by the State of Idaho. Approximately 1,643 employees contribute to this plan.

Although enrollees in the ORP no longer actively participate in PERSI, the University is required to contribute to the PERSI Base Plan through July 1, 2025. The contribution rate is 1.49% of the annual covered payroll. During the fiscal years ended June 30, 2013, 2012, and 2011 this supplemental funding payment to PERSI was \$1,394,954, \$1,332,203, and \$1,241,034, respectively. This amount is not included in the regular University PERSI Base Plan contribution discussed previously.

Contributions for the three years ended June 30, are as follows:

ORP:	2013	2012	2011
University contribution	\$ 8,723,150	\$ 8,285,481	\$ 7,747,212
Employee contribution	\$ 6,556,516	\$ 6,231,143	\$ 5,823,468
Total contribution	\$ 15,279,666	\$ 14,516,624	\$ 13,570,680
University contribution rate	9.27%	9.27%	9.27%
Employee contribution rate	6.97%	6.97%	6.97%

Supplemental Retirement Plans - Full and part time faculty, classified and professional staff, enrolled in PERSI as their regular retirement plan, may enroll in the 403(b), 401(k), and the 457(b) plans. Full and part time faculty and professional staff enrolled in the ORP as their regular retirement plan may enroll in the 403(b) and the 457(b) plans.

401(k) - PERSI Choice Plan (PCP):

This is only available to active PERSI members. The Choice Plan contains employee gain sharing distributions, any voluntary employee contributions made, and the earnings on those funds. Approximately 126 employees contribute to this plan.

457(b) - Deferred Compensation Plan:

The 457(b) is a voluntary retirement savings plan covered under Section 457(b) of the Internal Revenue Code. All University employees are eligible to participate in this plan. The plan is funded exclusively through employee pre-tax contributions. Approximately 66 employees contribute to this plan.

**403(b) Plan:**

The 403(b) is a voluntary tax-sheltered retirement plan covered under Section 403(b) of the Internal Revenue Code. All University employees are eligible to participate in this plan. The plan is funded exclusively by employee pre-tax contributions. Approximately 349 employees contribute to this plan.

Roth 403(b) Plan:

The Roth 403(b) is a voluntary retirement savings plan covered under Section 403(b) of the Internal Revenue Code. All University employees are eligible to participate in this plan. The plan is funded exclusively through employee post-tax contributions. Approximately 47 employees contribute to this plan.

Supplemental Retirement 403(b) Plan:

The Supplemental 403(b) plan was established by the Idaho State Board of Education as of June 23, 2011 for the benefit of a limited group of participants from the state's higher education institutions. The plan is funded by participant-specific contributions from the employees and the irrespective institutions, as set forth in Appendix A to the Plan document.

Supplemental 401(a) Plan:

This defined contribution retirement plan was established December 1, 2011, to provide additional retirement benefits for certain eligible employees of the University. The plan, which is qualified under Section 401(a) of the Internal Revenue Code, is funded through University contributions.

415(m) Plan:

The 415(m) Retirement plan is a qualified excess benefit plan authorized under Section 415(m) of the Internal Revenue Code. The plan is provided to select staff based on individual employment contracts negotiated. All contributions provided by the University are negotiated on an individual basis and are contingent on vesting requirements being satisfied.

Supplemental Retirement Plan Contributions - Fiscal Year 2013:

Supplemental Contributions:	PCP	403(b)	457(b)	Roth 403(b)	Supplemental 403(b)	Supplemental 401(a)	415(m)
Employee contribution	\$ 366,712	\$ 2,451,960	\$ 612,800	\$ 178,779	\$ 31,237	N/A	N/A
University contribution	N/A	N/A	N/A	N/A	\$ 44,619	\$ 9,400	\$ 240,600

Termination Payments - Employees who qualify for retirement under the PERSI Base Plan or the ORP are eligible to use 50% of the cash value of their unused sick leave (with limits based on years of service) to purchase health insurance for the retiree. The University partially funds these obligations by remitting 0.65% of employee gross payroll to the Sick Leave Insurance Reserve fund administered by PERSI. The total contributions for the fiscal years ended June 30, 2013, 2012, and 2011 were \$801,197, \$752,896, and \$707,068, respectively.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Summary of Plans

Boise State University participates in other postemployment benefit plans relating to health and disability administered by the State of Idaho as agent multiple-employer defined benefit plans. The Life Insurance benefit is a single-employer defined benefit plan. Idaho Code Sections 67-5760 to 67-5767 and 72-1335, establishes the benefits and contribution obligations. Each of these benefits is provided by the University to retired or disabled employees. The most recent actuarial valuation is as of July 1, 2012. Boise State University has not set aside any assets to pay future benefits; the University funds these benefits on a pay-as-you-go basis. Details of the plans can be found in the Comprehensive Annual Report of the State of Idaho, which may be obtained as follows:

Office of the Idaho State Controller
700 W State Street, 4th Floor
Boise, ID 83702
P.O. Box 83720
Boise, ID 83720-0011
www.sco.idaho.gov

Plan Descriptions and Funding Policy

Retiree Healthcare Plan - A retired employee of the University who is eligible to retire under the Public Employee Retirement System of Idaho (PERSI) may elect to purchase the retiree health insurance coverage for themselves and eligible dependents. Employees must enroll within 60 days of the date of their retirement. Additionally, the employee must be receiving PERSI monthly benefits at the time of retirement and must have 10 or more years (20,800 or more hours) of credited service. An employee must have been an active employee on or before June 30, 2009, and must retire directly from State service. Coverage is not available to Medicare-eligible retirees or their Medicare-eligible dependents. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the active employee plan. The maximum benefit is \$1,860 per retiree per year. The University contributed \$18.84 per active employee per month towards the retiree premium cost.

Long-Term Disability Plan - Disabled employees are defined as being unable to perform each of the substantial and material duties of the job for which they were hired and unable to earn more than 70 percent of their monthly salary for the first 30 months of disability. If after 30 months the employee is unable to perform any job for which they are reasonably qualified by experience, education, or training, and unable to earn more than 60 percent of their monthly salary the employee is considered totally disabled. To qualify for long-term disability benefits, the waiting period of the longer of 26 weeks of continuous total disability or exhaustion of accrued sick leave must be met.



For up to 30 months following the date of disability, an employee may continue healthcare coverage under the State plan. The University pays 100 percent of the University's share of medical and dental premiums while the employee remains disabled. The employee is required to pay the normal active employee contribution for the plan and rate category in which the employee is enrolled. The University was charged \$8 per active employee per month in fiscal year 2013.

The plan provides long-term disability income benefits to active employees who become disabled, generally up to a maximum age of 70. The gross benefit equals 60 percent of monthly pre-disability salary or \$4,000, whichever is less. The benefit does not increase with inflation and may be offset by other sources of income such as Social Security, Workers' Compensation, unemployment benefits, employment rehabilitation earnings, and certain retirement benefits. The State is self-insured for employees who became disabled prior to July 1, 2003; the State pays 100 percent of the cost of this benefit. The amount of the contribution is based on active claims and the number of insured individuals.

Employees disabled on or after July 1, 2003, are insured by Principal Life Insurance Company and the obligation for the payment of benefits has been effectively transferred. The University pays 100 percent of the cost of the premiums. The University's contribution rate for the period was 0.264 percent of payroll in fiscal year 2013. This portion of the long-term disability income benefit is not included in the actuarial estimate as this is considered an insured benefit.

This plan also provides basic life insurance and dependent life coverage to disabled employees, generally up to a maximum age of 70. The life insurance benefit amount is generally 100 percent of annual salary, but not less than \$20,000. In addition, a \$2,000 life insurance benefit is provided for spouses, and a \$1,000 life insurance benefit is provided for dependent children. These benefits do not increase with inflation. The University pays 100 percent of the premiums; the contribution is actuarially determined based on actual claims experience.

Retiree Life Insurance Plan - This plan provides basic life insurance for certified retired employees. In general, the employee must have completed at least 30 years of credited service or the sum of his/her age and years of credited service must total at least 80 to qualify for this benefit. Eligible retirees receive basic life insurance coverage equal to 100 percent of their annual salary at retirement. The University pays 100 percent of the cost of basic life insurance for eligible retirees. The University's contribution for the period as a percent of payroll was 1.177% for retirees under age 65, 0.894% for retirees between the ages of 65 and 69, and 0.600% for retirees over age 70.



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Annual Other Post Employment Benefit (OPEB) Cost - The annual OPEB cost (AOC) is actuarially determined based on the annual required contribution (ARC) of the employer. The following table illustrates the annual OPEB cost, the amount of contributions made, the increase (decrease) in the net OPEB obligation (NOO), and the NOO (funding excess) for the current year. The University has OPEB assets of \$71,000, and OPEB liabilities of \$7,854,138, resulting in net OPEB obligation of \$7,783,138 as of June 30, 2013.

2013 Annual OPEB Cost and Net OPEB Obligation (Dollars in Thousands)						
	Retiree Healthcare Plan	Long-Term Disability Plan			Retiree Life Insurance Plan	
		Healthcare	Life Insurance	Income		
Annual OPEB cost						
Annual required contribution	\$ 289	\$ 125	\$ 180	\$ 92	\$ 1,220	
Interest	126	8	(2)	(1)	151	
Adjustment to ARC	(249)	(15)	4	2	(297)	
Annual OPEB cost	166	118	182	93	1,074	
Contributions made	(236)	(153)	(190)	(69)	(150)	
Increase (decrease) in net OPEB obligation	(70)	(35)	(8)	24	924	
Net OPEB obligation – beginning of year	3,116	196	(66)	(21)	3,723	
Net OPEB obligation (funding excess) – end of year	\$ 3,046	\$ 161	\$ (74)	\$ 3	\$ 4,647	
Percentage of AOC contributed	142.17%	129.66%	104.40%	74.19%	13.97%	

Annual OPEB Cost Comparison - The following table compares the annual OPEB cost, the percentage of annual OPEB cost contributed and the net OPEB obligation (funding excess) for the current and two prior years.

Annual OPEB Cost and Net OPEB Obligation Comparison (Dollars in Thousands)							
		Retiree Healthcare Plan	Long-Term Disability Plan			Retiree Life Insurance Plan	
			Healthcare	Life Insurance	Income		
Annual OPEB cost	2011	\$ 407	\$ 152	\$ 91	\$ 100	\$ 926	
	2012	\$ 372	\$ 145	\$ 84	\$ 91	\$ 970	
	2013	\$ 166	\$ 118	\$ 182	\$ 93	\$ 1,074	
Percentage of AOC contributed	2011	44.61%	84.87%	148.35%	90.91%	16.92%	
	2012	94.35%	91.03%	111.90%	82.42%	15.98%	
	2013	142.17%	129.66%	104.40%	74.19%	13.97%	
NOO (funding excess) – end of year	2011	\$ 3,092	\$ 182	\$ (56)	\$ (36)	\$ 2,911	
	2012	\$ 3,113	\$ 195	\$ (66)	\$ (20)	\$ 3,726	
	2013	\$ 3,046	\$ 161	\$ (74)	\$ 3	\$ 4,647	



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Funded Status and Funding Progress - The following table illustrates the funded status and the funding progress for the University as of June 30, 2013:

Funded Status and Funding Progress (Dollars in Thousands)							
	Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratios (1) : (2)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) : (5)
Retiree healthcare plan	07/01/12	\$0	\$ 1,877	\$ 1,877	0.00%	\$ 146,216	1.3%
Long-term disability plan:							
Healthcare	07/01/12	\$0	\$ 853	\$ 853	0.00%	\$ 146,216	0.6%
Life insurance	07/01/12	\$0	\$ 806	\$ 806	0.00%	\$ 146,216	0.6%
Income	07/01/12	\$0	\$ 485	\$ 485	0.00%	\$ 146,216	0.3%
Retiree life insurance plan	07/01/12	\$0	\$ 14,511	\$ 14,511	0.00%	\$ 146,216	9.9%





Actuarial Methods and Assumptions - Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as required supplementary information immediately following the notes to the financial statements, contains multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Calculations are based on the types of benefits provided under the terms of the plan at the time of each valuation and on the pattern of sharing costs between the employer and plan members. The projection of benefits for financial reporting purposes does not incorporate the potential effects of legal funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective and actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

The following table presents the significant methods and assumptions for all plans:

	Retiree Healthcare Plan	Long-Term Disability Plan			Retiree Life Insurance Plan
	Healthcare	Life Insurance	Income		
Actuarial cost method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization method	Level Percentage of Payroll	Level Percentage of Payroll	Level Dollar Amount	Level Dollar Amount	Level Percentage of Payroll
Amortization period	10 years Closed	30 years Open	5 years Closed	6 years Closed	30 years Open
Assumptions:					
Inflation rate	3.00%	3.00%	3.00%	3.00%	3.00%
Investment return	3.75%	3.75%	3.75%	3.75%	3.75%
OPEB increases	N/A	N/A	N/A	N/A	N/A
Projected salary increases	3.50%	3.50%	3.50%	3.50%	3.50%
Healthcare cost initial					
Trend rate	4.90%	4.90%	N/A	N/A	N/A
Healthcare cost ultimate					
Trend rate	5.00%	5.00%	N/A	N/A	N/A



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Required Supplementary Information

Other Postemployment Benefits – Schedule of Funding Progress:

Schedule of Funding Progress - Required Supplementary Information: (Dollars in Thousands)							
	Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratios (1) : (2)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3) : (5)
Retiree healthcare plan	7/1/2008	\$0	\$ 2,656	\$ 2,656	0.00%	\$ 130,760	2.0%
	7/1/2010	\$0	\$ 2,718	\$ 2,718	0.00%	\$ 139,597	1.9%
	7/1/2012	\$0	\$ 1,877	\$ 1,877	0.00%	\$ 146,216	1.3%
Long-term disability plan:							
Life Insurance	7/1/2008	\$0	\$ 1,026	\$ 1,026	0.00%	\$ 130,760	0.8%
	7/1/2010	\$0	\$ 1,012	\$ 1,012	0.00%	\$ 139,597	0.7%
	7/1/2012	\$0	\$ 806	\$ 806	0.00%	\$ 146,216	0.6%
Healthcare	7/1/2008	\$0	\$ 1,227	\$ 1,227	0.00%	\$ 130,760	0.9%
	7/1/2010	\$0	\$ 970	\$ 970	0.00%	\$ 139,597	0.7%
	7/1/2012	\$0	\$ 853	\$ 853	0.00%	\$ 146,216	0.6%
Income	7/1/2008	\$0	\$ 715	\$ 715	0.00%	\$ 130,760	0.5%
	7/1/2010	\$0	\$ 542	\$ 542	0.00%	\$ 139,597	0.4%
	7/1/2012	\$0	\$ 485	\$ 485	0.00%	\$ 146,216	0.3%
Retiree life insurance plan	7/1/2008	\$0	\$ 10,895	\$ 10,895	0.00%	\$ 130,760	8.3%
	7/1/2010	\$0	\$ 12,954	\$ 12,954	0.00%	\$ 139,597	9.3%
	7/1/2012	\$0	\$ 14,511	\$ 14,511	0.00%	\$ 146,216	9.9%

Schedule of Employer Contributions:

Schedule of Employer Contributions - Required Supplementary Information: (Dollars in Thousands)				
OPEB Plan	Fiscal Year Ended	Annual Required Contribution (ARC)	Actual Contributions	Actual Contributions as Percentage of ARC
Life insurance	06/30/13	\$1,220	\$150	12%
	06/30/12	\$1,023	\$155	15%
	06/30/11	\$966	\$157	16%
	06/30/10	\$979	\$248	25%
	06/30/09	\$941	\$231	25%



12. RISK MANAGEMENT

The University obtains workers' compensation coverage from the Idaho State Insurance Fund. The University's workers' compensation premiums are based on its payroll, its own experience, as well as that of the State of Idaho as a whole. The University carries commercial insurance for other risks of loss, including but not limited to employee bond and crime, out of state workers' compensation, business interruption, media liability and automobile physical damage insurance.





13. COMPONENT UNIT

The Boise State University Foundation, Inc., (the Foundation) was established in 1964 to engage in activities to benefit and support Boise State University (the University), including receiving contributions and holding, protecting, managing, and investing donated funds. The Foundation is a nonprofit corporation incorporated in accordance with the laws of the State of Idaho and managed by a volunteer Board of Directors. Under the Idaho State Board of Education's administrative rules, the Foundation must be independent of, and cannot be controlled by, the University. A memorandum of understanding between the Foundation and the University defines the relationship between the two entities in accordance with the State Board of Education's rules.

The Foundation's financial statements are prepared in accordance with the standards set by the Financial Accounting Standards Board (FASB). The Foundation classifies net assets, revenues, gains, and other support and expenses based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

Permanently Restricted Net Assets - Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of the Foundation. The restrictions stipulate that resources be maintained permanently but permit the Foundation to expend the income generated in accordance with the provisions of the agreements.

Temporarily Restricted Net Assets - Net assets subject to donor restrictions that may or will be met by expenditures or actions of the Foundation and/or the passage of time, and certain income earned on permanently restricted net assets that has not yet been appropriated for expenditure by the Foundation's Board of Directors.

The Foundation reports contributions as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions

Unrestricted - Net assets available for use in general operations.

Other differences include criteria for recognizing permanently restricted pledges, the method of accounting for split interest gifts, and the presentation of the financial information.

(a) Cash and Cash Equivalents, and Other Deposits and Investments

For purposes of cash flows, the Foundation considers all cash on deposit in demand savings and time deposits with an original maturity date of three months or less to be cash equivalents. Cash and cash equivalents held by investment managers are considered investments and are shown as restricted cash and cash equivalents as the funds have been designated by the Foundation for investment purposes. Cash deposits at times during the years ended June 30, 2013 and 2012, exceeded FDIC insured limits.



Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment gain/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

Investments in equity and debt securities that have readily determinable fair values are recorded at quoted market prices. Investment securities without quoted market prices are valued at estimated fair value using appropriate valuation methods that consider the underlying assets and financial reports.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near term could materially affect account balances and the amounts reported in the accompanying financial statements.





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Custodial Credit Risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the Foundation will not be able to recover the value of its investment or collateral securities that are in possession of another party. The Foundation does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

Basis of Custodial Credit Risk as of June 30	2013	2012
Uninsured and uncollateralized	\$ 3,558,176	\$ 456,749

Investments of the Foundation, except for the certificates of deposit, are uninsured and uncollateralized and held in the name of either the Foundation or the custodian.

Investments - The following details each major category of investments and the related fair market values as of June 30:

Investment Type	2013	2012	Percent of Total
Certificates of deposit	\$ 986,013	\$ 2,840,000	0.9%
US Treasury bonds	6,314,194	11,567,750	5.5%
Corporate bonds	23,578,318	25,199,678	20.4%
Bond mutual funds	22,863,800	20,871,001	19.8%
Equity funds	26,550,452	22,914,792	22.9%
International Equity Funds	28,058,857	22,056,121	24.2%
Private equity investments	2,898,024	2,665,937	2.5%
Real estate and specialty assets	2,432,550	726,966	2.1%
Hedge funds	1,714,625	6,814,834	1.5%
Insurance annuities	332,129	305,252	0.3%
Total investments	\$ 115,728,962	\$ 115,962,331	100.0%



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Fair Value of Investments - measured on a recurring basis as of June 30, 2013 and 2012 are as follows:

Fair Value of Investments	2013	2012
Investments:		
Growth investments		
US equities	\$ 26,761,016	\$ 23,104,267
International equities	28,058,858	22,056,121
Private equity/special situations	2,898,024	2,665,937
Risk reduction investments:		
Cash and certificates of deposit	6,241,226	7,709,800
US/Global fixed income	52,877,877	57,754,206
Hedge funds	1,714,625	6,814,834
Real estate	2,432,550	726,966
Investments total	120,984,176	120,832,131
Investments in perpetual trusts:		
Growth investments		
US equities	994,063	1,010,731
International equities	485,864	402,415
Risk reduction investments:		
Cash and certificates of deposit	95,583	135,153
US/Global fixed income	628,819	675,001
Hedge funds	277,943	285,273
Real estate	309,074	285,295
Investments in perpetual trusts total	2,791,346	2,793,868
Total investments, at fair value	\$ 123,775,522	\$ 123,625,999

Credit Risk - The risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's, and Fitch's. The ratings presented below use the Moody's scale for balances as of June 30, 2013.

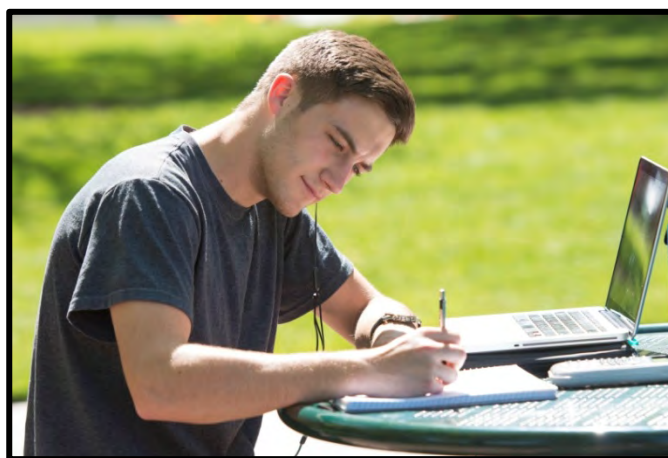
Moody's Scale Rating	US Treasury Bonds	Corporate Bonds	Bond Mutual Funds	Fair Value
Aaa	\$ 6,309,241	\$ -	\$ 2,969,723	9,278,964
Aa1	-	1,888,350	-	1,888,350
Aa2	-	2,745,421	4,177,391	6,922,812
Aa3	-	2,726,632	-	2,726,632
A1	-	2,410,319	9,640,852	12,051,171
A2	-	4,471,845	288,602	4,760,447
A3	-	4,519,278	2,705,534	7,224,812
Baa1	-	2,931,227	-	2,931,227
Baa2	-	1,885,246	9,023	1,894,269
Ba2	-	-	1,485,821	1,485,821
Ba3	-	-	47,764	47,764
B2	-	-	1,539,090	1,539,090
Unrated	4,953	-	-	4,953
Total	\$ 6,314,194	\$ 23,578,318	\$ 22,863,800	\$ 52,756,312



While the Foundation does not have a restrictive policy regarding rated investments, it does have a legal agreement with its expendable restricted fund manager which defines ratings acceptable to the Foundation and its policy defines benchmark indices by which to measure overall performance of these investments.

Interest Rate Risk - Investments in debt securities that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rates. While the Foundation does not have a policy regarding maturities of investments, it invests restricted funds in pools with differing maturities and its policy defines benchmark indices by which to measure overall performance of these investments.

Investment Type	Fair Value	< 1 yr	1-3 yr	3-10 yr	>10 yr
US Treasury Bonds	\$ 6,314,194	\$ 1,669,438	\$ 1,075,461	\$ 3,569,295	\$ -
Corporate bonds	23,578,318	7,534,982	4,840,635	11,202,701	-
Bond mutual funds	22,863,800	-	4,367,732	18,381,672	114,396
Total Rated securities	\$ 52,756,312	\$ 9,204,420	\$ 10,283,828	\$ 33,153,668	\$ 114,396



(b) Promises to give

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2013 and 2012, the allowance was \$972,799 and \$933,695, respectively.



BOISE STATE UNIVERSITY

Unconditional promises to give are reflected at the present value of estimated future cash flows using a discount rate based on Treasury bond rates at the date of the pledge ranging from .25% to 3.55% as of June 30, 2013 along with an allowance for uncollectible pledges based on past collection experience. Unconditional promises to give are estimated to be collected as follows at June 30, 2013 and 2012:

Pledges Receivable	2013	2012
Receivable in less than one year	\$ 8,893,099	\$ 10,272,054
Receivable in one to five years	5,935,173	13,722,107
Receivable in more than five years	275,077	280,115
	15,103,349	24,274,276
Less allowance	(972,799)	(933,695)
Less discount	(804,373)	(1,311,667)
Total	\$ 13,326,177	\$ 22,028,914

As of June 30, 2013 and 2012 the Foundation has one conditional gift of \$713,324 and \$786,881, respectively, and it has been included in deferred revenue under Non-current Liabilities.

(c) Donated Materials and Services

Donated materials and services recorded as in-kind donations for the years ended June 30 were:

Donated materials and services	2013	2012
Office space	\$ 12,183	\$ 12,183
Other in-kind gifts	16,533	-
	\$ 28,716	\$ 12,183





BOISE STATE UNIVERSITY

14. OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATIONS (DOLLARS IN THOUSANDS):

Functional Categories	2013				
	Personnel Cost	Services, Supplies and Other	Scholarships and Fellowships	Depreciation	Total
Instruction	\$ 83,690	\$ 10,534	\$ 2,918	\$ -	\$ 97,142
Research	12,519	7,505	700	-	20,724
Public service	8,513	5,009	381	-	13,903
Libraries	3,719	1,781	-	-	5,500
Student services	11,460	2,582	88	-	14,130
Plant operations	7,772	11,957	-	-	19,729
Institutional support	15,254	5,252	6	-	20,512
Academic support	15,733	4,321	190	-	20,244
Auxiliary enterprises	28,540	35,651	2,377	-	66,568
Scholarships	988	143	16,769	-	17,900
Depreciation	-	-	-	23,020	23,020
Total operating expenses	\$ 188,188	\$ 84,735	\$ 23,429	\$ 23,020	\$ 319,372

Functional Categories	2012				
	Personnel Cost	Services, Supplies and Other	Scholarships and Fellowships	Depreciation	Total
Instruction	\$ 78,005	\$ 11,080	\$ 2,724	\$ -	\$ 91,809
Research	14,891	7,610	806	-	23,307
Public service	7,353	4,994	343	-	12,690
Libraries	3,361	2,042	-	-	5,403
Student services	11,002	2,740	41	-	13,783
Plant operations	7,359	11,372	-	-	18,731
Institutional support	12,766	5,140	10	-	17,916
Academic support	14,003	3,665	145	-	17,813
Auxiliary enterprises	26,989	32,045	2,403	-	61,437
Scholarships	1,110	252	19,098	-	20,460
Depreciation	-	-	-	20,636	20,636
Total operating expenses	\$ 176,839	\$ 80,940	\$ 25,570	\$ 20,636	\$ 303,985



15. CONTINGENCIES AND LEGAL MATTERS

Revenue from federal research and service grants includes amounts for the recovery of overhead and other costs allocated to these projects. The University may be required to make refunds of amounts received for overhead and other costs reimbursed as a result of audits by agencies of the federal government. University officials are of the opinion that the effect of these refunds, if any, will not have a significant effect on financial position or the results of operations of the University.

The University has performed a review of potential pollution remediation obligations and found that there were no triggering events that would cause the University to record a pollution remediation liability as of June 30, 2013. Based on present knowledge, the University's management believes any ultimate liability in these matters will not materially affect the financial position or the results of operations of the University.



**REPORT OF INDEPENDENT AUDITORS 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***

Idaho State Board of Education
Boise State University

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 Boise State University (University) and its discretely presented component unit as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated September 30, 2013. Our report includes reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the discretely presented component unit as described in our report on the University's financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the discretely presented component unit.

Internal Control Over Financial Reporting.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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.

**REPORT OF INDEPENDENT AUDITORS 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*
(continued)**

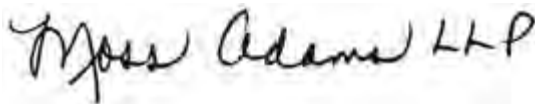
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eugene Adams LHP". The signature is written in a cursive, flowing style.

Eugene, Oregon
September 30, 2013

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Idaho State Board of Education
Boise State University

Report on Compliance for Each Major Federal Program

We have audited Boise State University's (University) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2013. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
(continued)**

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance that are required to be reported in accordance with OMB Circular A-133 and are described in the accompanying schedule of findings and questioned costs as items 2013-01 and 2013-02. Our opinion on each major federal program is not modified with respect to these matters.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

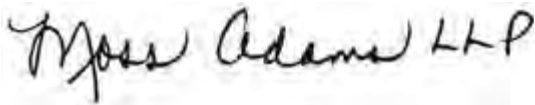
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
(continued)**

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2013-01 and 2013-02 that we consider to be a significant deficiencies.

The University's responses to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Management's response were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose

A handwritten signature in dark ink, appearing to read "Moss Adams LLP", is written over a light gray rectangular background.

Eugene, Oregon
December 19, 2013

BOISE STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Any audit findings disclosed that are required to be reported
in accordance with section 510(a) of Circular A-133?

☒ Yes ☐ No

Identification of Major Programs

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued</i>
Various	Research & Development Cluster	Unmodified
Various	Student Financial Aid Cluster	Unmodified
Various	TRIO Cluster	Unmodified
11.010	Community Trade Adjustment Assistance	Unmodified

Dollar threshold used to distinguish between type A and type
B programs:

\$ 886,566

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

Section II - Financial Statement Findings

None reported

BOISE STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section III - Federal Award Findings and Questioned Costs

FINDING 2013-01 – Special Tests and Provisions: Enrollment Reporting – Noncompliance and Significant Deficiency

Federal Program: CFDA 84.268 Federal Direct Loans, CFDA 84.038 Federal Perkins Loans

Federal Agency: Department of Education

Criteria – For changes in student status, Boise State University (BSU) must make updates for changes in student status, report the date the enrollment status was effective, enter the new anticipated completion date, and submit the changes electronically through the batch method or the National Student Loan Database System (NSLDS) website. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer.

Condition – BSU underwent system changes during fiscal year 2013 where certain student status changes were not being adequately captured and reported to BSU's third-party servicer (Clearinghouse). BSU did not have monitoring controls in place to ensure that the system changes were generating accurate information reported to the Clearinghouse.

Questioned Costs – None

Context – During our testing of 25 students, 7 students were not timely reported (or not reported at all) to NSLDS as having a status change.

Effect – NSLDS does not have the correct information for these students, which could result in future issues for a student in need of federal aid or for an institution in need of awarding aid to a student.

Cause – BSU did not have adequate controls in place to test that system changes made during the year were implemented to accurately generate student status changes reported to the Clearinghouse.

Recommendation – We recommend that BSU implement controls to monitor the NSLDS reporting and that BSU corrects the status of students that were not reported to NSLDS.

Management's Response - The Financial Aid and Registrars Offices have developed a process to verify the accuracy of the data submitted to the Clearinghouse. A report has been requested from NSLDS to allow verification of data between the Clearinghouse and NSLDS records. In addition, testing procedures for system changes have been improved to include confirming the accuracy of Clearinghouse/NSLDS reporting. The status of the students who were not reported has been corrected.

BOISE STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

FINDING 2013-02 – Reporting – Noncompliance and Significant Deficiency

Federal Program: Research and Development Cluster - CFDA 15.808, CFDA 15.655, CFDA 10.310, CFDA 81.117, CFDA 47.041, CFDA 47.075, CFDA 47.049, CFDA 93.389, CFDA 93.172,

Federal Agency: Department of Agriculture, Department of the Interior, Department of Defense, National Science Foundation, Department of Health and Human Services

Criteria – BSU is required to follow subaward reporting under the Transparency Act. This action is due no later than the last day of the month following the month in which the award or the modification is dated.

Condition – During our testing of reporting we noted that BSU did not report the subaward in the Federal Accountability and Transparency Subaward Reporting System.

Questioned Costs – None

Context – BSU had 13 research and development grants that were subject to Transparency Act reporting.

Effect – BSU is not in compliance with grant requirements and has potential to not receive reimbursement.

Cause – The University was aware of Transparency Act reporting requirements and was collecting the required data from its subrecipients. All subrecipients were exempt from executive compensation reporting therefore the University did not know to report the subawards in the Federal Accountability and Transparency Subaward Reporting System

Recommendation – We recommend that BSU develop procedures to ensure all required reports are being completed and submitted timely.

Management's Response - The University is developing a procedure to ensure that required reports are identified and submitted to the Federal Accountability and Transparency Sub-award Reporting System within the required timeline. The University has also completed reporting for all required reports that had not previously been submitted.



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF AGRICULTURE:					
Direct Programs:					
Wine Grape Cultivars	10.001	(2) \$	1,512	\$ -	\$ 1,512
Grape Varieties	10.001	(2)	15,041	-	15,041
Staph Vaccine for Cows	10.310	(2)	4,090	-	4,090
Mycorrhizal Diversity	10.310	(2)	56,563	-	56,563
Bioenergy and soil C storage	10.310	(2)	61,560	-	61,560
GHG mitigation of AD systems	10.310	(2)	170,685	-	170,685
RISE: Rural Idaho Saves Energy	10.868		-	43,685	43,685
Northern Idaho Point Counts	10.NA	(2)	67,846	-	67,846
Sawtooth NF Goshawk Surveys	10.NA	(2)	4,224	-	4,224
Raptor and Songbird Migration	10.NA	(2)	5,000	-	5,000
Hummingbird Migration	10.NA	(2)	9,520	-	9,520
Woodpecker Management	10.NA	(2)	4,873	-	4,873
Black-Backed Woodpecker in BNF	10.NA	(2)	1,057	-	1,057
Northern Goshawk Surveys	10.NA	(2)	1,000	-	1,000
Danskin Project	10.XXX		-	15,770	15,770
Mycorrhizal Fungi	10.XXX	(2)	310	-	310
Pass Through Payments:					
Child and Adult Care Food Program (Children's Center)	10.558		-	38,592	38,592
Grapes Cold Tolerance	10.NA	(2)	16,521	-	16,521
Total U.S. Department of Agriculture			<u>\$ 419,802</u>	<u>\$ 98,047</u>	<u>\$ 517,849</u>
U.S. DEPARTMENT OF COMMERCE:					
Direct Programs:					
TECenter Renovation	11.010	(4) \$	-	\$ 174,112	\$ 174,112
FY13 EDA University Center	11.302		-	123,499	123,499
FY12 EDA University Center	11.303		-	159	159
Spacio Variability of Snow	11.462	(2)	65,492	-	65,492
Idaho TechHelp NIST MEP FY12	11.611		-	49,132	49,132
Idaho TechHelp NIST MEP FY13	11.611		-	462,898	462,898
Hysplit GPU Parallelization	11.XXX	(2)	17,052	-	17,052
Pass Through Payments:					
Offshore Bat Activity	11.419	(2)	2,000	-	2,000
Pacific NW Climate Decision	11.431	(2)	89,845	-	89,845
Total U.S. Department of Commerce			<u>\$ 174,389</u>	<u>\$ 809,800</u>	<u>\$ 984,189</u>
U.S. DEPARTMENT OF DEFENSE:					
Direct Programs:					
A West Nile Virus Vaccine-KC	12.420	(2) \$	27,165	\$ -	\$ 27,165
A West Nile Virus Vaccine-DW	12.420	(2)	2,326	-	2,326
PTHrP and Mesenchymal Wnt	12.420	(2)	34,777	-	34,777
Semicon - Based Nanotechnology	12.431	(2)	108,502	-	108,502

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF DEFENSE (continued):					
Direct Programs (continued):					
Hydrologic Fluxes and States	12.431	(2)	\$ 56,920	\$ -	\$ 56,920
Measuring and Monitoring Soil	12.431	(2)	41,086	-	41,086
Combining Remotely Sensed Vege	12.431	(2)	8,185	-	8,185
DARPA 3-D Tech for Adv. Sensor	12.910	(2)	(15,583)	-	(15,583)
Reconfigurable Electronics	12.910	(2)	90,158	-	90,158
Reconfigurable Electronics-2	12.910	(2)	130,132	-	130,132
Dugway Proving Ground	12.NA	(2)	256,202	-	256,202
Pass Through Payments:					
MIT DTRA	12.351	(2)	108,362	-	108,362
Radiation Effects	12.351	(2)	92,058	-	92,058
Integrative Passives 2010	12.800	(2)	19,724	-	19,724
PIP/PTAC Program	12.XXX		-	(378)	(378)
Copper Plating of VCSEL Device	12.XXX	(2)	10,481	-	10,481
Shielded Cold Cathode- Phase 2	12.XXX	(2)	10,772	-	10,772
2010 OTA ICRMP	12.XXX		-	7,262	7,262
Anodic Polarization Corrosion	12.XXX	(2)	10,271	-	10,271
AFOSR RSE Project	12.XXX	(2)	56,944	-	56,944
Anodic Polarization Phase2	12.XXX	(2)	10,950	-	10,950
Fabrication Memristive Devices	12.XXX	(2)	42,394	-	42,394
Anodic Polarization Summer2013	12.XXX	(2)	49	-	49
Total U.S. Department of Defense			\$ 1,101,875	\$ 6,884	\$ 1,108,759
U.S. DEPARTMENT OF THE INTERIOR:					
Direct Programs:					
Bruneau Capacity Analysis	15.225	(2)	\$ 8,100	\$ -	\$ 8,100
Bromus Tectorum Establishment	15.231	(2)	5,842	-	5,842
Breeding Bird/Burrowing Owl	15.231	(2)	22,318	-	22,318
Fire & Erosion in Western Rang	15.231	(2)	386	-	386
Fire & Erosion W Range Benner	15.231	(2)	11,006	-	11,006
Lichen Curation	15.231		-	38,681	38,681
Impacts of fuel reduction trea	15.231	(2)	4,758	-	4,758
Pygmy Rabbit Diet Quality	15.238	(2)	23,962	-	23,962
Winter Raptors in NCA	15.238	(2)	342	-	342
Genetic Analysis of Medusahead	15.238	(2)	8,600	-	8,600
OHV Trails and Eagle Behavior	15.238	(2)	18,153	-	18,153
Multiple Teleconnection Index	15.507	(2)	3,914	-	3,914
USFWS Birds of Concern	15.635	(2)	1,873	-	1,873
Curlews on Idaho BLM Lands	15.655	(2)	9,710	-	9,710
Burrowing Owls, Fleas & Plague	15.655	(2)	37,734	-	37,734
Bird Partnership Coordinator	15.657	(2)	325	-	325

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF THE INTERIOR (continued):					
Direct Programs (continued):					
Harvester Ant Monitoring-YR4	15.657	(2)	\$ 12,590	\$ -	\$ 12,590
Fall Migration Project	15.660	(2)	9,999	-	9,999
Near Surface Expression Alaska	15.807	(2)	22,434	-	22,434
Alaska Legacy Seismic	15.807	(2)	49,914	-	49,914
Near Surface Expression Mega	15.807	(2)	23,002	-	23,002
Support Analysis Raptor Research	15.808		-	836	836
Identifrog Software	15.808	(2)	1,299	-	1,299
Raptor Research Building	15.808		-	10,060	10,060
Protected Area Analysis	15.808	(2)	169,376	-	169,376
Raptor Research Building-2	15.808		-	1,965	1,965
Craters Bird Survey	15.945	(2)	(131)	-	(131)
Noise and Foraging Behavior	15.945	(2)	137,724	-	137,724
Breeding Bird Surveys of Crater	15.945	(2)	5,481	-	5,481
Alaska Holocene Deformation	15.XXX	(2)	12,227	-	12,227
Harvester Ant Monitoring-YR3	15.XXX	(2)	12,494	-	12,494
Kenai Legacy Seismic	15.XXX	(2)	2,975	-	2,975
Pass Through Payments:					
IBO/IDFG Bird Greatest Conserv	15.634	(2)	39,483	-	39,483
Grid-based Bird Monitoring	15.637	(2)	26,108	-	26,108
Constructing a Local Meteoric	15.805	(2)	10,631	-	10,631
Boise River Watershed Quality	15.805	(2)	8,497	-	8,497
Boise River Ecosystem	15.805	(2)	163	-	163
Assessing the Dietary Quality	15.NA	(2)	18,908	-	18,908
Total U.S. Department of the Interior			<u>\$ 720,197</u>	<u>\$ 51,542</u>	<u>\$ 771,739</u>
U.S. DEPARTMENT OF JUSTICE:					
Direct Programs:					
Wrongful Convictions	16.746		\$ -	\$ 130,210	\$ 130,210
Pass Through Payments:					
RADAR Video and Print Material	16.727		-	38,795	38,795
NFJC: Year 5	16.XXX	(2)	145	-	145
Total U.S. Department of Justice			<u>\$ 145</u>	<u>\$ 169,005</u>	<u>\$ 169,150</u>

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF LABOR:					
Direct Programs:					
Occupational Safety and Health	17.504		\$ -	\$ 178,876	\$ 178,876
Occupational Safety and Health	17.504		-	355,461	355,461
Total U.S. Department of Labor			\$ -	\$ 534,337	\$ 534,337
U.S. DEPARTMENT OF TRANSPORTATION:					
Direct Programs:					
Sensors and Prognostics	20.109	(2)	\$ 69,459	\$ -	\$ 69,459
Phase II:In-Flight Sensor Sys	20.109	(2)	47,217	-	47,217
Park-Ride Bus Storage Facility	20.500		-	1,253,488	1,253,488
Transit Center Remodel	20.500		-	76,106	76,106
Park-Ride Bus Storage 2	20.507		-	224,213	224,213
Total U.S. Department of Transportation			\$ 116,676	\$ 1,553,807	\$ 1,670,483
U.S. OFFICE OF PERSONNEL MANAGEMENT:					
Direct Programs:					
IPA Agreement Cliff Bayer	27.XXX	(2)	\$ 16,211	\$ -	\$ 16,211
IPA Agreement Eric McIndoo	27.XXX	(2)	13,057	-	13,057
IPA Agreement McIndoo FY13	27.XXX	(2)	42,678	-	42,678
IPA Agreement Bayer FY13	27.XXX	(2)	32,454	-	32,454
Total U.S. Office of Personnel Management			\$ 104,400	\$ -	\$ 104,400
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:					
Direct Programs:					
Snow Microstructure	43.001	(2)	\$ 23,497	\$ -	\$ 23,497
Water Institutions and Ag Land	43.001	(2)	35,098	-	35,098
Ground-Based Radar Calibration	43.NA	(2)	(1,886)	-	(1,886)
Improv of Remotely SWE	43.NA	(2)	33,972	-	33,972
Calibration of Long-Lag	43.NA	(2)	846	-	846
Wide, Mono-Pulse Gamma-Ray Bur	43.NA	(2)	785	-	785
Pass Through Payments:					
Vegetation Water Content	43.001	(2)	17,048	-	17,048
SMAP-JPL Visit	43.001	(2)	3,505	-	3,505
Effects of Microgravity on Car	43.001	(2)	29,691	-	29,691
Microgravity University 2012	43.001	(2)	770	-	770
Microgravity Equipment 2012	43.001	(2)	950	-	950
Dolan ISGC Fellowship FY13	43.001	(2)	15,092	-	15,092
Rogers FY13 Fellowship	43.001	(2)	15,818	-	15,818
Rowe FY13 Fellowship	43.001	(2)	15,064	-	15,064

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (continued):					
Pass Through Payments (continued):					
Agricultural Land Use & Water	43.001	(2)	\$ 6,680	\$ -	\$ 6,680
Microgravity Special Proj 2013	43.001	(2)	4,640	-	4,640
Microgravity Travel 2013	43.ADV	(2)	5,159	-	5,159
Elec-Prop Ceramic Materials	43.NA	(2)	149,929	-	149,929
Land-Atmosphere Coupling	43.NA	(2)	(342)	-	(342)
Remote Sensing of Cryosphere	43.NA	(2)	251,862	-	251,862
Molecular Mechanisms of Cellul	43.NA	(2)	196,059	-	196,059
Measurement of Dust Motion-2	43.NA	(2)	269	-	269
DeLeon EPSCoR Fellowship Yr 2	43.NA	(2)	(64)	-	(64)
Strctres b/onChalcgnideGlasses	43.NA	(2)	4,256	-	4,256
NSBRI Postdoctoral Fellowship	43.NA	(2)	41,001	-	41,001
ISAS Summer Academy	43.NA		-	5,946	5,946
Broadband Array Technology	43.XXX	(2)	10,487	-	10,487
Total National Aeronautics and Space Administration			<u>\$ 860,186</u>	<u>\$ 5,946</u>	<u>\$ 866,132</u>
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES:					
Direct Programs:					
Arcadia Project	45.024		\$ -	\$ 4,551	\$ 4,551
Justice Course	45.163		-	13,933	13,933
Pass Through Payments:					
Illegal Bodies: T. Williams	45.129	(2)	(190)	-	(190)
Mini-Grants	45.129		-	1,915	1,915
Culture of the Irrigated West	45.129	(2)	36	-	36
James Castle Curriculum Proj	45.NA		-	1,798	1,798
Total National Foundation on the Arts and the Humanities			<u>\$ (154)</u>	<u>\$ 22,197</u>	<u>\$ 22,043</u>
NATIONAL SCIENCE FOUNDATION:					
Direct Programs:					
Plasmon Nanophotonics	47.041	(2)	\$ 43,895	\$ -	\$ 43,895
A WATERS Testbed	47.041	(2)	12,420	-	12,420
Air Spring EM Stimulation	47.041	(2)	61,714	-	61,714
Nanodevices on DNA Breadboards	47.041	(2)	213,837	-	213,837
Adopting Education Innovation	47.041	(2)	29,160	-	29,160
Eng Ed Research to Practice	47.041	(2)	59,761	-	59,761
Nanodevices on DNA Bread-Lee	47.041	(2)	9,927	-	9,927
CAREER: Wind Forecasting	47.041	(2)	41,927	-	41,927
Differential Cytotoxicity	47.041	(2)	178,987	-	178,987
MSMA Nanostructures	47.041	(2)	186,294	-	186,294
Synergistic Approach-Yang	47.041	(2)	43,693	-	43,693

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
NATIONAL SCIENCE FOUNDATION (continued):					
Direct Programs (continued):					
Synergistic Approach-Senocak	47.041	(2)	\$ 26,695	\$ -	\$ 26,695
I-Corps: Wind Forecasting Eng	47.041	(2)	55,659	-	55,659
CAREER:M Frary NSF	47.049	(2)	26,269	-	26,269
Filtrations of Boolean Algebra	47.049	(2)	5,415	-	5,415
MRI LC-MS/MS Acquisition	47.049	(2)	1,091	-	1,091
Nanoscale Physics	47.049	(2)	55,889	-	55,889
RBFs For Geophysical Modeling	47.049	(2)	33,151	-	33,151
Subsurface Imaging	47.049	(2)	2,044	-	2,044
Hierarchical Microstructures	47.049	(2)	176,605	-	176,605
ATD: Data Driven Stochastic	47.049	(2)	39,010	-	39,010
Nanoscale Ferroelectrics	47.049	(2)	106,614	-	106,614
ATD: Data Driven Stochastic IS	47.049	(2)	71,772	-	71,772
Point Defects in Perovskites	47.049	(2)	130,932	-	130,932
REU in Chemistry	47.049	(2)	32,439	-	32,439
REU Site: Complexity in Alg-PS	47.049	(2)	63,808	-	63,808
REU Site: Complexity in Algebr	47.049	(2)	21,059	-	21,059
REU in Chemistry-PS	47.049	(2)	77,262	-	77,262
Novel Phenomena in Oxide	47.049	(2)	129,704	-	129,704
Short Memory in Long Memory Ti	47.049	(2)	26,360	-	26,360
MRI: Development COIFM with LM	47.049	(2)	208,114	-	208,114
Int. Conf. FSMA 2013 Boise	47.049	(2)	17,711	-	17,711
MSMA-Fibers	47.049	(2)	70,779	-	70,779
PNWNAS 2012	47.049		-	10,830	10,830
Viscoelastic Mixture Models	47.049	(2)	1,734	-	1,734
BEST Conference	47.049	(2)	10,520	-	10,520
NSF Collaborative Quantificati	47.050	(2)	(4,946)	-	(4,946)
Carboniferous Permian Paleocli	47.050	(2)	17,448	-	17,448
Atmospheric Dust as Archive	47.050	(2)	33,052	-	33,052
Collab Res : S. Amer Grassland	47.050	(2)	(7,045)	-	(7,045)
Stable Isotope Mass Spectromet	47.050	(2)	(694)	-	(694)
Quantifying Lateral Flow	47.050	(2)	70,176	-	70,176
Potential GSSP of the GK Stage	47.050	(2)	9,450	-	9,450
Virtual Geochronology Labs	47.050	(2)	30,358	-	30,358
Himalayan Tectonic Models	47.050	(2)	96,819	-	96,819
Late Devonian Geochronology	47.050	(2)	54,814	-	54,814
Collaborative Research	47.050	(2)	8,049	-	8,049
Interdisciplinary Flume-Feris	47.050	(2)	48,316	-	48,316
Interdisciplinary Flume-Benner	47.050	(2)	1,551	-	1,551
NSF Career: Jeff Johnson	47.050	(2)	86,727	-	86,727
Bogus Basin Snowpack Isotopes	47.050	(2)	19,857	-	19,857
Oscillatory Hydrology	47.050	(2)	110,500	-	110,500
MRI: Laser Ultrasonic System	47.050	(2)	320,567	-	320,567

(continued)



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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
NATIONAL SCIENCE FOUNDATION (continued):					
Direct Programs (continued):					
Volcano Geodesy & Seismology	47.050	(2)	\$ 38,064	\$ -	\$ 38,064
Calibrating Cryogenian - Yukon	47.050	(2)	3,285	-	3,285
Calibration of Stable Isotope	47.050	(2)	9,274	-	9,274
Phase Change Architectures	47.070	(2)	2,202	-	2,202
IDBR:RUI: Deveopment of COIFM	47.074	(2)	(4,382)	-	(4,382)
Revision of Columnea	47.074	(2)	58,235	-	58,235
Revision of Columnea-Supp	47.074	(2)	2,978	-	2,978
Bats vs. Hawkmoths	47.074	(2)	73,769	-	73,769
Complex Pattern Modeling-Habig	47.074	(2)	18,797	-	18,797
Complex Pattern Modeling-Ander	47.074	(2)	49,804	-	49,804
Kestrels and climate change	47.074	(2)	75,770	-	75,770
Habitat Use by Mammalian	47.074	(2)	57,293	-	57,293
Kestrels and Clim. Change-REU	47.074	(2)	4,130	-	4,130
NSF Transmission Workshop	47.075	(2)	4,958	-	4,958
NSF Participant Support	47.075	(2)	4,510	-	4,510
Conservation in South America	47.075	(2)	6,736	-	6,736
NSF Idaho Eng Scholarship Prog	47.076	(2)	91	-	91
New GK-12 Local Resources	47.076		-	82,321	82,321
New GK-12 Participants	47.076		-	240,336	240,336
S-Stem #2 ID Engr Scholarship	47.076	(2)	149,181	-	149,181
STEM Education	47.076	(2)	40,926	-	40,926
STEM Education-PS Costs	47.076	(2)	16,416	-	16,416
STEM Education-COED	47.076	(2)	11,702	-	11,702
NSF Idaho Step	47.076	(2)	108,526	-	108,526
NSF Idaho Step Part. Support	47.076	(2)	47,764	-	47,764
STEM Central STATION	47.076	(2)	214,378	-	214,378
STEM Central STATION-Viskupic	47.076	(2)	8,483	-	8,483
STEM Central STATION-Nadleson	47.076	(2)	9,100	-	9,100
New GK-12 Local Resources-Supp	47.076		-	177	177
Idaho Scholarships for Transfe	47.076		-	1,736	1,736
Idaho Scholar for Transfers-PS	47.076		-	208,228	208,228
WIDER:EAGER:CALIPER	47.076	(2)	62,338	-	62,338
Noyce Phase II: Trajectory	47.076		-	15,469	15,469
Home Hearth Household	47.078	(2)	12,314	-	12,314
MRI GPU Cluster	47.080	(2)	26,547	-	26,547
S. Mooney NSF IPA	47.NA		-	157,672	157,672
Pass Through Payments:					
IPS Liquefaction Mitigation	47.041	(2)	27,465	-	27,465
Digitize Herbarium	47.074	(2)	27,867	-	27,867
Pacific Northwest LSAMP	47.076	(2)	44,461	-	44,461
Pacific Northwest LSAMP PS	47.076	(2)	30,091	-	30,091
National Geoscience Student	47.076	(2)	25,296	-	25,296

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
NATIONAL SCIENCE FOUNDATION (continued):					
Pass Through Payments (continued):					
POGIL	47.076		\$ -	\$ 16,512	\$ 16,512
EPSCoR RII Program-Callahan	47.080	(2)	(2,718)	-	(2,718)
EPSCoR RII Program-Plumlee	47.080	(2)	(59)	-	(59)
EPSCoR RII Program-Pierce	47.080	(2)	(65)	-	(65)
EPSCoR Start-up-Coburn	47.080	(2)	(48)	-	(48)
EPSCoR RII Program - Cobourn	47.080	(2)	43,264	-	43,264
EPSCoR RII Program - Feris	47.080	(2)	11,552	-	11,552
EPSCoR RII Program - Benner	47.080	(2)	65,652	-	65,652
EPSCoR RII Program - Lowe	47.080	(2)	151,604	-	151,604
EPSCoR RII Program - Callahan	47.080	(2)	26,409	-	26,409
EPSCoR RII Program - Sridhar	47.080	(2)	31,450	-	31,450
EPSCoR RII Program - Hernandez	47.080	(2)	81,327	-	81,327
EPSCoR RII Program - DeGraaff	47.080	(2)	161,138	-	161,138
EPSCoR RII Program - Pierce	47.080	(2)	26,074	-	26,074
EPSCoR Startup YR3 - DeGraaff	47.080	(2)	(1,778)	-	(1,778)
EPSCoR Startup YR3 - Cobourn	47.080	(2)	5,167	-	5,167
EPSCoR RII Program - Flores	47.080	(2)	35,554	-	35,554
EPSCoR RII Program - McNamara	47.080	(2)	14,337	-	14,337
EPSCoR Instrument YR4 - Marsha	47.080	(2)	45,000	-	45,000
EPSCoR Startup YR4 - Cobourn	47.080	(2)	5,957	-	5,957
EPSCoR Startup Y5 - Forbey	47.080	(2)	27,937	-	27,937
EPSCoR Startup YR5 - Senocak	47.080	(2)	44,955	-	44,955
EPSCoR Startup Y5 - Wuerzer	47.080	(2)	13,450	-	13,450
EPSCoR RII Program YR5-McNamar	47.080	(2)	11,217	-	11,217
NSF EPSCoR Track II	47.081	(2)	94,623	-	94,623
Faculty-Student Interaction	47.NA		-	2,073	2,073
Everyday Examples in ENGR	47.NA	(2)	1,231	-	1,231
ARRA:					
REVSYS Trichos Project-ARRA	47.082	(2)	30,718	-	30,718
Ultrafast Laser-ARRA	47.082	(2)	6,867	-	6,867
Micron Engineering Center	47.082	(2)	1,704,330	-	1,704,330
Dependent Distributed Inferenc	47.082	(2)	6,442	-	6,442
Total National Science Foundation			\$ 7,077,206	\$ 735,354	\$ 7,812,560

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BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
SMALL BUSINESS ADMINISTRATION:					
Direct Programs:					
ID Research and Economic Dev.	59.000	(2)	\$ 11,790	\$ -	\$ 11,790
Jobs Act	59.037		-	125,678	125,678
Enrgy Efficiency Carryover '10	59.037		-	(8,949)	(8,949)
SBA CY'11 Carryover	59.037		-	91,139	91,139
SBA - SBDC 2012	59.037		-	394,751	394,751
Energy Efficiency 2012	59.037		-	92,902	92,902
SBA 2013	59.037		-	223,775	223,775
Research & Econ Dev & Entrepre	59.NA		-	171,047	171,047
Total Small Business Administration			<u>\$ 11,790</u>	<u>\$ 1,090,343</u>	<u>\$ 1,102,133</u>
ENVIRONMENTAL PROTECTION AGENCY:					
Direct Programs:					
EFC Competition	66.203		\$ -	\$ 75,575	\$ 75,575
EPA Plan2Fund Funder's Tool	66.XXX		-	(37,288)	(37,288)
Pass Through Payments:					
EPA Technical Assistance Grant	66.424		-	133,877	133,877
Total Environmental Protection Agency			<u>\$ -</u>	<u>\$ 172,164</u>	<u>\$ 172,164</u>
NUCLEAR REGULATORY COMMISSION:					
Direct Programs:					
U.S. NRC Fellowship Program	77.008		\$ -	\$ 2,994	\$ 2,994
Total Nuclear Regulatory Commission			<u>\$ -</u>	<u>\$ 2,994</u>	<u>\$ 2,994</u>
U.S. DEPARTMENT OF ENERGY:					
Direct Programs:					
Inverse Magnetoplastic Effect	81.049	(2)	\$ (1,471)	\$ -	\$ (1,471)
Fracture and Fatigue	81.049	(2)	169,166	-	169,166
SunShot: Solar Siting GIS Tool	81.117	(2)	379,136	-	379,136
Industrial Assessment Center	81.117		-	199,948	199,948
Geothermal Student Competition	81.NA	(2)	3,083	-	3,083
Wind For Schools	81.XXX		-	14,020	14,020
Pass Through Payments:					
Fundamental Fluid Physics	81.049	(2)	44,696	-	44,696
GMZ Auto Waste Heat Recovery	81.086	(2)	70,680	-	70,680
Component Technologies R&D	81.087	(2)	16,949	-	16,949
Boise City Geothermal Exp.	81.087		-	363,976	363,976
Irradiation Creep in Graphite	81.XXX	(2)	59,351	-	59,351
Chalcogenide Glass Radiation	81.XXX	(2)	234,416	-	234,416
Tungsten-Rhenium Cladding	81.XXX	(2)	33,950	-	33,950

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BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF ENERGY (continued):					
Pass Through Payments (continued):					
Americium Electrochemistry	81.XXX	(2)	\$ (12)	\$ -	\$ (12)
SuitabilityLayeredBasalt FY11	81.XXX	(2)	(201)	-	(201)
Nano Metal Oxides Collab YR2	81.XXX	(2)	(6)	-	(6)
Root Impacts on the C Cycle	81.XXX	(2)	45,972	-	45,972
CAES Imaging Center	81.XXX	(2)	(107)	-	(107)
EPI Joint Appt FY12	81.XXX	(2)	21,472	-	21,472
SNL Field Test	81.XXX	(2)	6,005	-	6,005
Graduate Student Development	81.XXX	(2)	2,423	-	2,423
Trans. Site Sustainability YR3	81.XXX	(2)	11,073	-	11,073
SuitabilityLayeredBasalt FY12	81.XXX	(2)	11,747	-	11,747
Efficient Housing Res.Partners	81.XXX	(2)	(625)	-	(625)
BlackHawk/Forecast Gardner YR3	81.XXX	(2)	10,482	-	10,482
Microscopy-BEA Utilization	81.XXX	(2)	22,917	-	22,917
Microscopy-ATR Utilization	81.XXX	(2)	150,645	-	150,645
Microscopy-Mac's Service Contr	81.XXX	(2)	174,819	-	174,819
Microscopy-Mac's General	81.XXX	(2)	14,018	-	14,018
Fabrication of ODS Alloys FY12	81.XXX	(2)	31,604	-	31,604
Butt Joint Appointment FY12	81.XXX	(2)	15,362	-	15,362
Small Specimen Sample Prep 12	81.XXX	(2)	12,735	-	12,735
CAES Sr. Administrator	81.XXX	(2)	2,818	-	2,818
AD Fermented Manure YR 3	81.XXX	(2)	7,955	-	7,955
CEERI: EE Toolset Year 2	81.XXX	(2)	26,928	-	26,928
Senior Project - FAIE	81.XXX	(2)	2,150	-	2,150
Dev. of Adv. U Density Fuels	81.XXX	(2)	113,998	-	113,998
Americium Electrochemistry Y2	81.XXX	(2)	7,926	-	7,926
TRISO-Coated Fuel Dura FY12	81.XXX	(2)	48,022	-	48,022
Seismic Reflection Imaging	81.XXX	(2)	98,725	-	98,725
Fuel Aging in Storage & Trans.	81.XXX	(2)	250,388	-	250,388
2012 WEPRC	81.XXX		-	18,505	18,505
Advancing Spark Plasma	81.XXX	(2)	18,674	-	18,674
EPI Joint Appt FY13	81.XXX	(2)	63,536	-	63,536
Techniques for Visualization	81.XXX	(2)	14,308	-	14,308
CAES Sr. Admin - FY13	81.XXX	(2)	3,598	-	3,598
Adv Spark Plasma - FY13	81.XXX	(2)	21,875	-	21,875
Butt Joint Appointment FY13	81.XXX	(2)	51,689	-	51,689
MaCS - BEA Utilization FY13	81.XXX	(2)	40,995	-	40,995
MaCS - ATR Utilization FY13	81.XXX	(2)	203,431	-	203,431
Intergrated Approach to Algal	81.XXX	(2)	19,504	-	19,504
Molten Salt Sensor Tech	81.XXX	(2)	36,212	-	36,212
X-Ray Tomographic Character	81.XXX	(2)	26,240	-	26,240
Magnetic Separation Nanotech	81.XXX	(2)	1,714	-	1,714
Collegiate Wind Competition	81.XXX		-	5,620	5,620
(continued)					

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BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF ENERGY (continued):					
Pass Through Payments (continued):					
Modeling Potential Crack Growth	81.XXX	(2)	\$ 222	\$ -	\$ 222
ARRA:					
Nat. Geothermal Database-ARRA	81.087	(2)	1,574,624	-	1,574,624
NGDS Data Acquisition-ARRA	81.087	(2)	(43,341)	-	(43,341)
Snake River Geothermal	81.087	(2)	10,010	-	10,010
Revitalize Electric Power-ARRA	81.122		-	14,670	14,670
Total U.S. Department of Energy			<u>\$ 4,142,480</u>	<u>\$ 616,739</u>	<u>\$ 4,759,219</u>
U.S. DEPARTMENT OF EDUCATION:					
Direct Programs:					
Federal Supplemental Educational Opportunity Grants	84.007	(1)	\$ -	\$ 454,565	\$ 454,565
Federal College Work-Study (CWS)	84.033	(1)	-	507,859	507,859
Federal CWS Job Location Costs (JLC)	84.033	(1)	-	35,501	35,501
Federal Perkins Loans	84.038	(1)	-	1,250,965	1,250,965
Federal Pell Grants	84.063	(1)	-	29,515,717	29,515,717
Federal Direct Subsidized Loans	84.268	(1)	-	35,537,176	35,537,176
Federal Direct Unsubsidized Loans	84.268	(1)	-	49,598,899	49,598,899
Federal Direct Parent Loans	84.268	(1)	-	4,170,081	4,170,081
Student Success Program 11-12	84.042A	(3)	-	53,187	53,187
Student Success Program 12-13	84.042A	(3)	-	289,509	289,509
ETS I 2011-2012	84.044A	(3)	-	82,942	82,942
ETS II 2011-2012	84.044A	(3)	-	40,798	40,798
ETS I 2012-2013	84.044A	(3)	-	410,968	410,968
ETS II 2012-2013	84.044A	(3)	-	166,025	166,025
Upward Bound III 2010-2011	84.047A	(3)	-	16,497	16,497
Upward Bound IV 2010-2011	84.047A	(3)	-	24,148	24,148
UB I Canyon County 2011-2012	84.047A	(3)	-	113,158	113,158
UB II Duck Valley 2011-2012	84.047A	(3)	-	65,176	65,176
UB III - Borah & Capital 12-13	84.047A	(3)	-	192,756	192,756
UB I Canyon County 2012-2013	84.047A	(3)	-	224,116	224,116
UB II Duck Valley 2012-2013	84.047A	(3)	-	151,548	151,548
UB IV Meridian 2012-2013	84.047A	(3)	-	134,745	134,745
UB III - Borah & Capital 13-14	84.047A	(3)	-	30,116	30,116
Veterans Upward Bound 11-12	84.047V	(3)	-	52,457	52,457
Veterans Upward Bound 12-13	84.047V	(3)	-	199,188	199,188
HEP 2011-2012	84.141A		-	48,763	48,763
HEP 2012-2013	84.141A		-	449,816	449,816
CAMP 2011-2012	84.149A		-	32,115	32,115
CAMP 2012-2013	84.149A		-	391,236	391,236
Idaho Systemic Earmark-COEN	84.215K	(2)	481	-	481
Idaho Systemic Earmark-COED	84.215K	(2)	629	-	629

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF EDUCATION (continued):					
Direct Programs (continued):					
McNair Scholars Program 11-12	84.217A	(3)	\$ -	\$ 92,174	\$ 92,174
Teacher Monitoring PD	84.305A	(2)	393,261	-	393,261
Improving Metacomprehension	84.305B	(2)	249,683	-	249,683
TATERS	84.325T		-	65,331	65,331
McNair Scholars Program 12-13	84.217	(3)	-	149,779	149,779
Pass Through Payments:					
Enhancing Teacher PCK Inquiry	84.366		-	348,464	348,464
Dev. Mathematical Thinking III	84.366		-	271,057	271,057
i-STEM Prof Dev Initiative	84.366		-	8,096	8,096
i-STEM Prof Dev Stipends	84.366		-	37,700	37,700
School Improvement 10-11	84.010A		-	(7,052)	(7,052)
Idaho Building Capacity 2011	84.010A		-	1,347	1,347
IBC 2012 A-Funds	84.010A		-	248,464	248,464
School Imp. 2012 A-Funds	84.010A		-	6,750	6,750
IBC 2012 A-Admin	84.010A		-	11,112	11,112
School Imp. 2012 A-Admin	84.010A		-	77,859	77,859
IBC A-Funds 2013	84.010A		-	30,643	30,643
School Improvement 2013	84.010A		-	15,334	15,334
SESTA 11-12	84.027A		-	35,493	35,493
PBIS 11-12	84.027A		-	(8,202)	(8,202)
SW Regional Special Ed 11-12	84.027A		-	6,914	6,914
SESTA 12-13	84.027A		-	506,606	506,606
SWR 12-13	84.027A		-	290,567	290,567
PBIS 12-13	84.027A		-	182,757	182,757
SW Regional Special Ed 13-14	84.027A		-	1	1
CII Improvement Support to STs	84.283B		-	43,303	43,303
ADI Support to States	84.283B		-	14,281	14,281
RESET 11-12	84.323A	(2)	2,464	-	2,464
RESET 12-13	84.323A	(2)	142,552	-	142,552
NWP Teacher Leadership Develop	84.367D		-	16,482	16,482
SEED: Taft Elementary	84.367D		-	15,747	15,747
ARRA:					
IBC 2013 ARRA	84.388A		-	15,098	15,098
IBC 2011-ARRA	84.388A		-	(6,732)	(6,732)
IBC 2012 ARRA	84.388A		-	118,979	118,979
School Imp. 2012 ARRA	84.388A		-	(11,932)	(11,932)
Total U.S. Department of Education			\$ 789,070	\$ 126,816,447	\$ 127,605,517

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. INSTITUTE OF PEACE:					
Direct Programs:					
Public Ed. for Peacebuilding	91.NA		\$ -	\$ 2,000	\$ 2,000
Total U.S. Institute of Peace			<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:					
Direct Programs:					
Developing Proteogenomic Mappi	93.172	(2)	\$ 47,127	\$ -	\$ 47,127
Developing Proteogenomic Mappi	93.172	(2)	285,607	-	285,607
Software to ID Post-Translatio	93.389	(2)	103,517	-	103,517
Eval.of DNA CrossLinking YR4-6	93.395	(2)	18,963	-	18,963
Preferential Cytotoxic	93.395	(2)	14,685	-	14,685
Oncostatin M-induced VEGF	93.396	(2)	30,466	-	30,466
Improvement of RNA Search	93.859	(2)	58,259	-	58,259
NIH K25 Career Award	93.859	(2)	107,748	-	107,748
Ident and Char of Integrin	93.859	(2)	37,726	-	37,726
Pass Through Payments:					
Perceived Risk: Medical Error	93.226	(2)	11,104	-	11,104
ID CAH Lean Process Improve	93.241		-	5,964	5,964
INBRE II - Year 4	93.389	(2)	265,094	-	265,094
INBRE II - Year 4	93.389	(2)	92,445	-	92,445
INBRE II - Year 4	93.389	(2)	79,864	-	79,864
INBRE II - Year 4	93.389	(2)	122,516	-	122,516
INBRE II - Year 4	93.389	(2)	56,800	-	56,800
INBRE II - Year 4	93.389	(2)	50,740	-	50,740
INBRE II - Year 4	93.389	(2)	48,149	-	48,149
INBRE II - Yr 5 Bioinformatics	93.389	(2)	23,084	-	23,084
INBRE II - Yr 5 Core	93.389	(2)	59,138	-	59,138
INBRE II - Yr 5 Cornell	93.389	(2)	8,174	-	8,174
INBRE II - Yr 5 Knowlton	93.389	(2)	9,864	-	9,864
INBRE II - Yr 5 Mitchell	93.389	(2)	1,025	-	1,025
INBRE II - Yr 5 Stevens	93.389	(2)	30,821	-	30,821
INBRE II - Yr 5 Team	93.389	(2)	44,706	-	44,706
U24: Proteogenomic Cancer Char	93.394	(2)	176,011	-	176,011
ID Refugee CETI	93.576		-	23,449	23,449
Idaho Office for Refugees	93.576		-	2,400	2,400
Accelerated Reconstruction	93.879	(2)	4,569	-	4,569
Tobacco Prevention Program	93.XXX		-	15,846	15,846
CAQ Pilot Project FY11	93.XXX	(2)	7,648	-	7,648
Substance Abuse Clearinghouse	93.XXX		-	144,240	144,240
CHC CAP Year 2	93.XXX		-	15,557	15,557
ICOA Needs Assessment	93.XXX		-	(6,089)	(6,089)
NCAQ	93.XXX	(2)	924	-	924

(continued)



BOISE STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

Federal Grant / Program Title	Federal CFDA Number		Research Expenditures	Non-Research Expenditures	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued):					
Pass Through Payments (continued):					
Environmental Sensing - Phase3	93.XXX	(2)	\$ 80,014	\$ -	\$ 80,014
ARRA:					
Zebrafish Development-ARRA	93.701	(2)	55,768	-	55,768
MCP-1 and Liver Regeneration	93.701	(2)	95,591	-	95,591
Construction of BSU BRV-ARRA	93.702	(2)	187,793	-	187,793
Total U.S. Department of Health and Human Services			<u>\$ 2,215,940</u>	<u>\$ 201,367</u>	<u>\$ 2,417,307</u>
Total Federal Expenditures			<u><u>\$ 17,734,002</u></u>	<u><u>\$ 132,888,973</u></u>	<u><u>\$ 150,622,975</u></u>

- (1) Student Financial Aid Cluster is combined and displayed as a major program.
 (2) Research and Development is combined and displayed as a major program.
 (3) TRIO Cluster is combined and displayed as a major program.
 (4) TECenter Renovation is displayed as a major program.



BOISE STATE UNIVERSITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2013

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes federal grant activity of the University and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented on this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditures of federal awards are recognized following the cost principles contained in OMB Circular A-21, *Educational Institutions*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. UNIVERSITY ADMINISTERED LOAN PROGRAMS

The University administers the following loan programs:

Loan Program	Number	Loan Balances
Federal Perkins	84.038	\$10,178,749
Nursing Student	93.364	\$6,238

Total loan expenditures and disbursements of the Department of Education (Perkins) student financial assistance programs for the year ended June 30, 2013 are identified below:

Loan Program	Number	Loan Disbursements
Federal Perkins	84.038	\$1,250,965

The expenditures reported in the Schedule of Expenditures of Federal Awards include the administrative cost allowances and the Federal Capital Contribution for the year ended June 30, 2013.



BOISE STATE UNIVERSITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2013

4. SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the University provided federal awards to sub-recipients as follows:

Program	Federal CFDA Number	Amount Provided to Subrecipients
GHG mitigation of AD systems	10.310	\$ 64,815
RISE: Rural Idaho Saves Energy	10.868	26,632
FY13 EDA University Center	11.302	30,769
FY12 EDA University Center	11.303	2,107
Idaho TechHelp NIST MEP FY12	11.611	42,135
Idaho TechHelp NIST MEP FY13	11.611	159,507
Hydrologic Fluxes and States	12.431	1,618
Reconfigurable Electronics-2	12.910	13,910
Burrowing Owls, Fleas & Plague	15.655	3,700
Protected Area Analysis	15.808	119,466
Differential Cytotoxicity	47.041	53,784
Point Defects in Perovskites	47.049	74,721
Virtual Geochronology Labs	47.050	(4,144)
NSF Participant Support	47.075	4,510
Jobs Act	59.037	55,104
Enrgy Efficiency Carryover '10	59.037	(8,949)
SBA - SBDC 2012	59.037	227,232
Energy Efficiency 2012	59.037	36,538
SBA 2013	59.037	72,833
Nat. Geothermal Database-ARRA	81.087	1,366,298
SunShot: Solar Siting GIS Tool	81.117	175,453
Industrial Assessment Center	81.117	75,579
Enhancing Teacher PCK Inquiry	84.366	71,218
Developing Proteogenomic Mappi	93.172	109,493
Eval.of DNA CrossLinking YR4-6	93.395	(809)
Copper Plating of VCSEL Device	12.XXX	1,826
Improv of Remotely SWE	43.NA	(4,900)
Chalcogenide Glass Radiation	81.XXX	153,258
Improving Metacomprehension	84.305B	250,318
CHC CAP Year 2	93.XXX	8,000
Total Subrecipients		<u>\$ 3,182,022</u>