



**BOISE STATE UNIVERSITY**



**REPORT OF  
INDEPENDENT AUDITORS  
AND FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013  
INCLUDING SINGLE AUDIT REPORTS  
FOR THE YEAR ENDED JUNE 30, 2014**

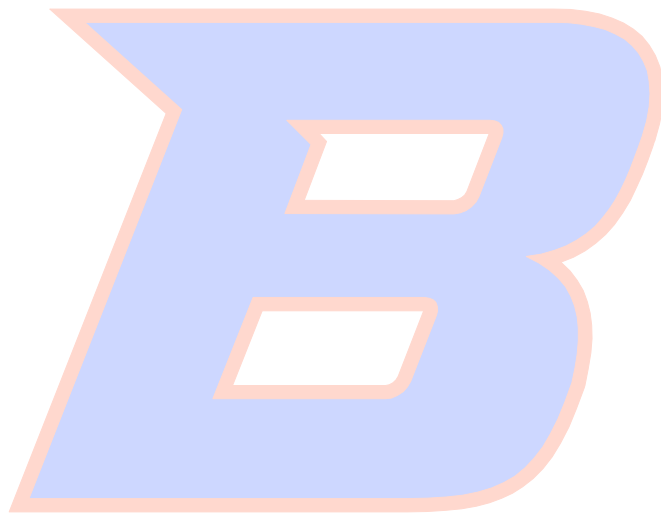






## TABLE OF CONTENTS

|   | Page  |
|---|-------|
| REPORT OF INDEPENDENT AUDITORS  | 1-3   |
| MANAGEMENT'S DISCUSSION AND ANALYSIS  | 4-14  |
| FINANCIAL STATEMENTS:   |       |
| Statements of Net Position  | 15-16 |
| Component Units Statements of Financial Position  | 17-18 |
| Statements of Revenues, Expenses, and Changes in Net Position   | 19-20 |
| Component Units Statements of Activities  | 21-22 |
| Statements of Cash Flows  | 23-24 |
| NOTES TO FINANCIAL STATEMENTS   | 25-66 |
| 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 <i>GOVERNMENT AUDITING STANDARDS</i> | 67-68 |
| REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133   | 69-70 |
| SCHEDULE OF FINDINGS AND QUESTIONED COSTS:  |       |
| Section I – Summary of Auditor's Results  | 71    |
| Section II – Financial Statement Findings   | 71    |
| Section III – Federal Award Findings and Questioned Costs   | 71    |
| SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  | 72    |
| SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS – YEAR ENDED JUNE 30, 2014   | 73-87 |
| Notes to Schedule of Expenditures of Federal Awards   | 88-89 |



**BOISE STATE  
UNIVERSITY**

## REPORT OF INDEPENDENT AUDITORS

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, 2014 and 2013, 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 audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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, 2014 and 2013, 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.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the 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 are presented for purposes of additional analysis and are not a required part of the basic 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 basic 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 26, 2014 on our consideration of Boise State University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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".

Eugene, Oregon  
September 26, 2014





## BOISE STATE UNIVERSITY

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### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2014

The following management's discussion and analysis (MD&A) provides an overview of Boise State University's financial performance based on currently known facts, data and conditions, and is designed to assist readers in understanding the accompanying financial statements.

The financial statements encompass the University and its discretely presented component unit; however, the MD&A focuses only on the University. Information relating to the component unit can be found in their separately issued financial statements. The University's financial report includes three basic financial statements: the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows.

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 22,003 for the fall semester of fiscal year 2014 (Fall 2013) as compared to 22,678 for fiscal year 2013 (Fall 2012).

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 650,000. Approximately 4,788 faculty and staff (including 1,520 student employees) were employed as of June 30, 2014. 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. Sixteen doctoral students earned degrees this spring in curriculum and instruction, electrical and computer engineering, geophysics, geosciences, and materials science and engineering. 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 42 research centers and institutes, including the Center for Health Policy, the Public Policy Research Center, 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 18 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.



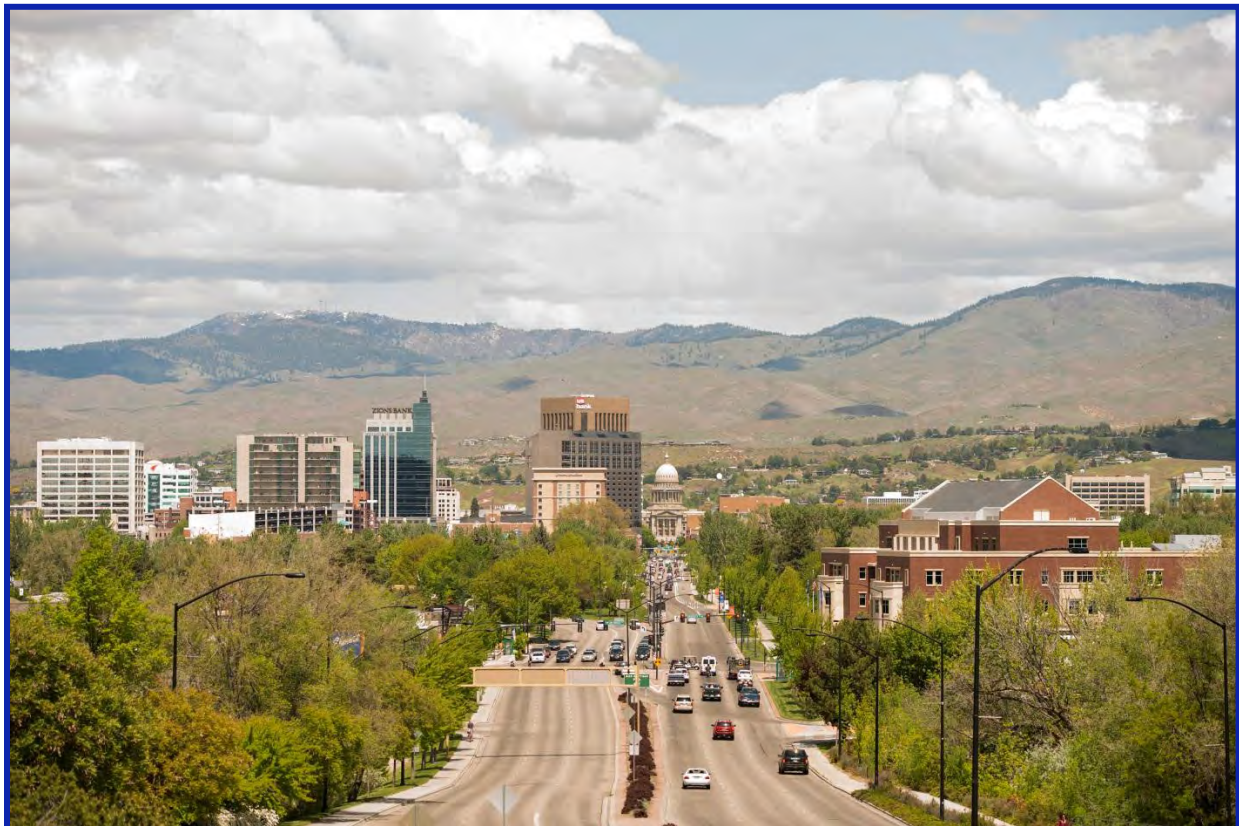


## BOISE STATE UNIVERSITY

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### Overview of the Financial Statements and Financial Analysis

The financial statements for fiscal years ended June 30, 2014 and June 30, 2013 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, 2014 and 2013. 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.





## BOISE STATE UNIVERSITY

### Statements of Net Position

The statements of net position include all assets, deferred outflows, liabilities, and deferred inflows of the University. Assets, deferred outflows, liabilities, and deferred inflows 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, expendable, 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.

| <b>Summary Statements of Net Position</b><br><b>As of June 30</b><br><b>(Dollars in Thousands)</b> |                   |                   |                   |
|--|-------------------|-------------------|-------------------|
|  | <b>2014</b>       | <b>2013</b>       | <b>2012</b>       |
| <b>ASSETS:</b>   |                   |                   |                   |
| Current assets   | \$ 142,169        | \$ 148,024        | \$ 128,642        |
| Capital assets, net  | 501,928           | 507,899           | 462,106           |
| Other assets   | 28,201            | 29,522            | 57,253            |
| Total assets   | <u>672,298</u>    | <u>685,445</u>    | <u>648,001</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>  | <u>3,659</u>      | <u>4,500</u>      | <u>3,570</u>      |
| Total assets and deferred outflows of resources  | <u>\$ 675,957</u> | <u>\$ 689,945</u> | <u>\$ 651,571</u> |
| <b>LIABILITIES:</b>  |                   |                   |                   |
| Current liabilities  | \$ 52,901         | \$ 59,445         | \$ 59,600         |
| Non-current liabilities  | 236,125           | 244,557           | 247,667           |
| Total liabilities  | <u>289,026</u>    | <u>304,002</u>    | <u>307,267</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   | <u>1,604</u>      | <u>2,514</u>      | <u>1,935</u>      |
| <b>NET POSITION:</b>   |                   |                   |                   |
| Net investment in capital assets   | 271,585           | 267,277           | 229,368           |
| Restricted, expendable   | 14,344            | 14,511            | 13,944            |
| Unrestricted   | 99,398            | 101,641           | 99,057            |
| Total net position   | <u>385,327</u>    | <u>383,429</u>    | <u>342,369</u>    |
| Total liabilities, deferred inflows of resources and net position                                  | <u>\$ 675,957</u> | <u>\$ 689,945</u> | <u>\$ 651,571</u> |



## BOISE STATE UNIVERSITY

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The University's total assets and deferred outflows of resources decreased during fiscal year 2014 by \$13,988,342 from \$689,945,198 as of June 30, 2013 to \$675,956,856 as of June 30, 2014. The decrease is attributable to capital assets, net, and current assets. While capital assets continued to grow as the University converted invested bond proceeds and gifts into ongoing construction works-in-progress, the change in accumulated depreciation exceeded the growth in capital assets resulting in a net decrease of \$6 million. Accounts receivable and unbilled charges net of allowance for doubtful accounts decreased by \$7 million from \$25.5 million in fiscal year 2013 to \$18.5 million in fiscal year 2014.

The University's total liabilities decreased during fiscal year 2014 by \$14,975,721 from \$304,001,774 as of June 30, 2013 to \$289,026,053 as of June 30, 2014. The decrease is driven by a \$6.6 million decrease in amounts due to state agencies on capital projects and a \$9.4 million reduction in total long-term debt and capital leases. Total net position increased during fiscal year 2014 by \$1,897,387 from \$383,429,511 as of June 30, 2013 to \$385,326,898 as of June 30, 2014. Net investment in capital assets increased \$4,307,008 while unrestricted net position decreased \$2,243,538 as the University continues to expand and improve the physical plant. The University utilizes 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.

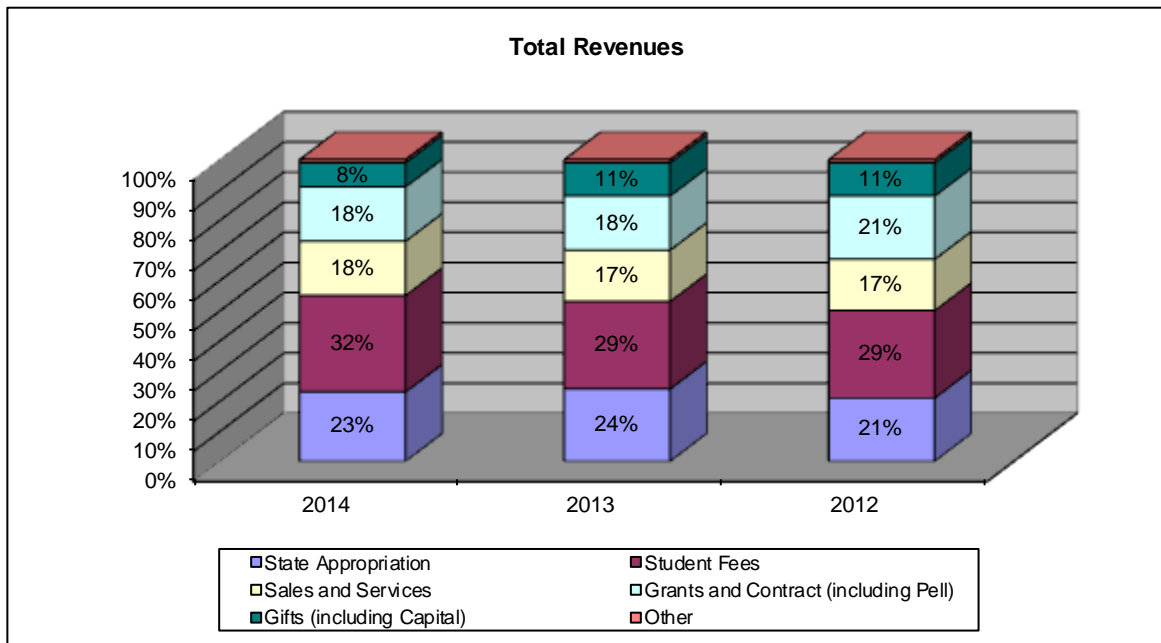




## BOISE STATE UNIVERSITY

### 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, 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.

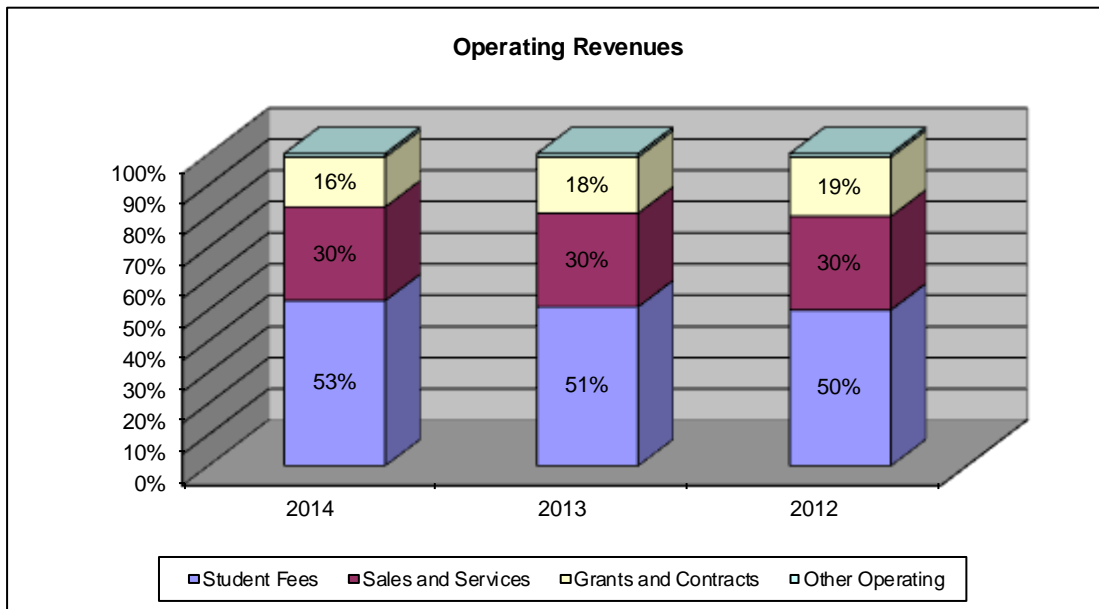




## BOISE STATE UNIVERSITY

| Summary Statements of Revenues, Expenses, and Changes in Net Position |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| Fiscal Years Ended June 30  |                   |                   |                   |
| (Dollars in Thousands)  |                   |                   |                   |
|   | 2014              | 2013              | 2012              |
| Operating revenues  | \$ 207,699        | \$ 209,281        | \$ 198,645        |
| Operating expenses  | 330,278           | 319,372           | 303,985           |
| Operating loss  | (122,579)         | (110,091)         | (105,340)         |
| Non-operating revenues and expenses                                   | 120,622           | 124,601           | 118,007           |
| Income before other revenues, expenses, gains or losses               | (1,957)           | 14,510            | 12,667            |
| Other revenues and expenses   | 3,854             | 26,551            | 13,519            |
| <b>Increase in net position</b>                                       | <b>1,897</b>      | <b>41,061</b>     | <b>26,186</b>     |
| <b>Net position—Beginning of year</b>                                 | <b>383,430</b>    | <b>342,369</b>    | <b>316,183</b>    |
| <b>Net position—End of year</b>                                       | <b>\$ 385,327</b> | <b>\$ 383,430</b> | <b>\$ 342,369</b> |

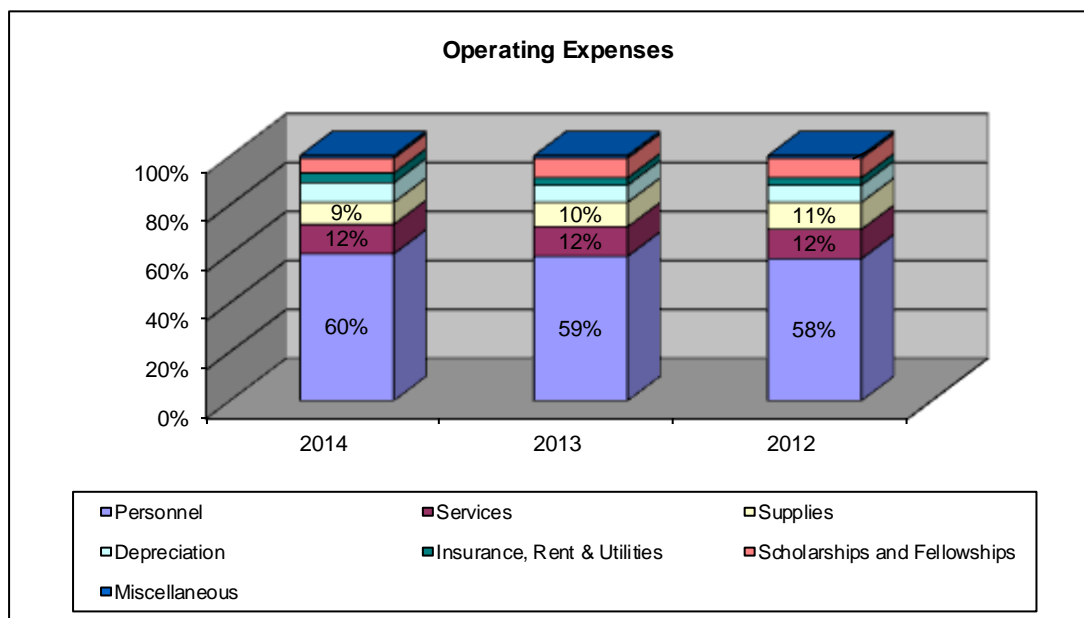
The statements of revenues, expenses, and changes in net position reflect an overall increase in net position during fiscal year 2014 of \$1,897,387. Operating revenues decreased by \$1,582,023 from \$209,280,628 in fiscal year 2013 to \$207,698,605 in fiscal year 2014. A decrease of \$4.5 million in grants and contract revenue was offset by an increase in student fee revenue of \$3 million.





## BOISE STATE UNIVERSITY

Operating expenses increased by \$10,905,987 from \$319,371,835 in 2013 to \$330,277,822 in fiscal year 2014. Personnel expenses increased \$9.8 million or 5%. Salary for new positions and market adjustments for existing critical positions attributed to \$6.2 million of the increase. The University has added permanent and temporary personnel to meet increased compliance needs and to assist with a finance system upgrade, the redesign of the human resource and payroll systems, the implementation of a data warehouse and business process overhaul. In the academic areas, expense increases are the result of recently implemented enhancements in on-line programming, and electrical and computer engineering. Benefits increased \$3 million, with the majority of the amount attributable to medical insurance. Insurance and utilities increased \$1.7 million or 26% as the University contributed \$700,000 to subsidize the student health insurance premium, reducing the cost to students in fiscal year 2014 and electrical and gas utilities increased \$800,000 as several new buildings were online for the full fiscal year. The result of reduced revenue and increased cost was a \$12.5 million increase in operating loss.



The increase in net position for fiscal year 2014 was \$1,897,387. This is a significant decline from the prior year increase of \$41,060,949 due to a large reduction in capital appropriations and capital gifts combined with the increase in operating loss. In fiscal 2013 the University received \$27 million in other revenue related to capital additions as compared to \$4 million in the current year. Fiscal year 2013 recognized a \$10 million state appropriation for the environmental science building as well as \$5 million in teaching lab upgrades. Fiscal year 2013 also recognized large capital gifts for the Yanke Family Research Park and Micron Business and Economics Building.





### **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 are 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.





## BOISE STATE UNIVERSITY

Overall, cash increased by \$6,347,350 during fiscal year 2014 compared to a cash increase of \$881,189 during fiscal year 2013. Cash used in operating activities totaled \$90.5 million in fiscal year 2014 compared to \$87.7 million in fiscal year 2013. Increases in student fees were offset by increased operating expenses driven by strategic investment in online programming, employee retention, and business process and technology improvement initiatives. Cash provided by non-capital financing activities decreased \$4.9 million in 2014 after an increase of \$12 million in fiscal year 2013. State appropriations declined in fiscal year 2012, however rebounded in fiscal years 2013 and 2014. The increase in state appropriations in fiscal year 2014 was offset by a reduction in Pell grant revenue and gifts drawn from the Foundation. The University continued to invest in facilities, spending previously issued bond proceeds, donations, and invested reserves.

| <b>Summary Statements of Cash Flows</b><br><b>Fiscal Years Ended June 30</b><br><b>(Dollars in Thousands)</b> |                  |                  |                  |
|---|------------------|------------------|------------------|
|   | <b>2014</b>      | <b>2013</b>      | <b>2012</b>      |
| Cash provided (used) by:  |                  |                  |                  |
| Operating activities  | \$ (90,483)      | \$ (87,658)      | \$ (82,197)      |
| Non-capital financing activities  | 130,802          | 135,664          | 123,465          |
| Capital and related financing activities  | (41,389)         | (56,967)         | (43,104)         |
| Investing activities  | 7,417            | 9,842            | (2,591)          |
| <b>Net change in cash</b>   | <b>6,347</b>     | <b>881</b>       | <b>(4,427)</b>   |
| <b>Cash—Beginning of year</b>   | <b>38,525</b>    | <b>37,644</b>    | <b>42,071</b>    |
| <b>Cash—End of year</b>   | <b>\$ 44,872</b> | <b>\$ 38,525</b> | <b>\$ 37,644</b> |

### Capital Asset and Debt Administration

The University's capital assets, (prior to depreciation) increased by \$11,267,260 from \$745,150,833 in 2013 to \$756,418,093 in 2014. The University continued to build and acquire property and buildings consistent with the Campus Master Plan. \$33.6 million of buildings were completed and transferred from construction in progress during the fiscal year, including the \$20.7 million Gene Bleymaier Football Complex. Capital asset additions to work in progress in fiscal year 2014 included \$2.6 million for the Stadium expansion, and \$1.1 million to renovate the Math/Geoscience building. The University did not issue debt in fiscal year 2014; however, Standard & Poor's Rating Service reaffirmed all outstanding bonds as A+ with a stable outlook during their annual update in April 2014.



## BOISE STATE UNIVERSITY

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, 2014, is 5.7%, slightly lower than 5.84% as of June 30, 2013. Management's policy, in accordance with the State Board of Education policy, is to maintain this ratio below 8%.



### Economic Outlook

Overall, the State of Idaho finished fiscal year 2014 with \$2.82 billion in general fund receipts, which was a 2.4% increase from fiscal year 2013. According to the July Idaho Economic Forecast, published by the Division of Financial Management, following a slow first quarter, preliminary second quarter data suggests that the economic recovery is still underway and predict 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.



## BOISE STATE UNIVERSITY

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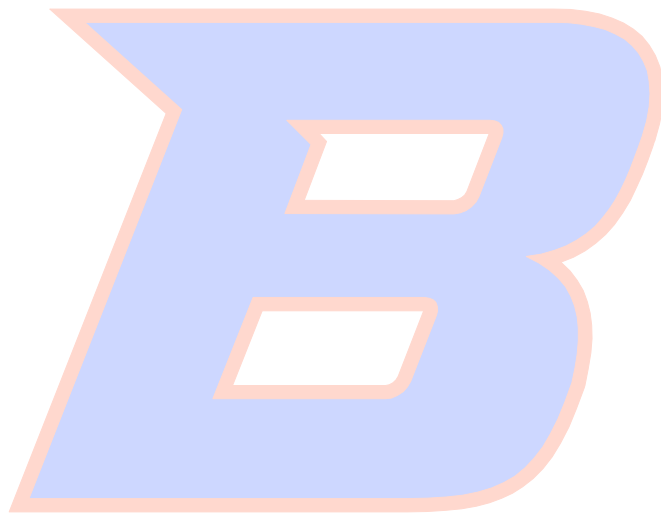
The University completed a year-long, intensive exploration of its programs, departments, and offerings referred to as Program Prioritization. The process was guided by Dr. Robert C. Dickenson's conceptual framework and was in collaboration with the Idaho State Board of Education. The results were used to evaluate academic and non-academic activities and provide a basis for strategically utilizing new resources as well as internally reallocating current resources. The University plans to utilize this opportunity to build a meaningful foundation for making long-term decisions to improve all of its offerings.

In addition to focusing on operational efficiency, the University has also targeted revenues and student cost as areas to address. Boise State is in the second year of moving toward a "cost-based bi-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.

For the third consecutive year, the University swept a portion of departmental ending reserves to create a pool of funding for initiatives benefitting the entire institution. The sweep generated over \$600,000 to be used to support student success initiatives and scholarships.

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 has slowed as expected; however, strategic and targeted improvements will continue as the institution strives to reach its potential as a metropolitan research university.



**BOISE STATE  
UNIVERSITY**



## BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY  
STATEMENTS OF NET POSITION  
JUNE 30, 2014 AND JUNE 30, 2013**

|  | <b>University<br/>2014</b> | <b>University<br/>2013</b> |
|--|----------------------------|----------------------------|
| <b>ASSETS</b>  |                            |                            |
| <b>CURRENT ASSETS:</b>                                 |                            |                            |
| Cash with treasurer                                    | \$ 39,639,225              | \$ 33,360,070              |
| Cash and cash equivalents                              | 5,233,331                  | 5,165,136                  |
| Student loans receivable                               | 1,668,800                  | 1,575,000                  |
| Accounts receivable and unbilled charges, net          | 18,524,533                 | 25,502,453                 |
| Prepaid expense  | 2,094,624                  | 1,813,555                  |
| Inventories  | 2,298,639                  | 3,223,066                  |
| Investments  | 69,169,627                 | 74,980,322                 |
| Due from component units                               | 3,142,094                  | 2,068,732                  |
| Other current assets                                   | 397,997                    | 335,634                    |
| <b>Total current assets</b>                            | <b>142,168,870</b>         | <b>148,023,968</b>         |
| <b>NON-CURRENT ASSETS:</b>                             |                            |                            |
| Student loans receivable, net                          | 8,972,833                  | 8,858,650                  |
| Investments  | 18,720,851                 | 20,086,760                 |
| Prepaid Bond Insurance Costs                           | 348,463                    | 368,062                    |
| Capital assets, net                                    | 501,927,585                | 507,899,036                |
| Other assets   | 159,221                    | 209,069                    |
| <b>Total non-current assets</b>                        | <b>530,128,953</b>         | <b>537,421,577</b>         |
| <b>Total assets</b>                                    | <b>672,297,823</b>         | <b>685,445,545</b>         |
| <b>DEFERRED OUTFLOWS OF RESOURCES:</b>                 |                            |                            |
| Refunding of debt                                      | 3,659,033                  | 4,499,653                  |
| <b>Total deferred outflows of resources</b>            | <b>3,659,033</b>           | <b>4,499,653</b>           |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b> | <b>\$ 675,956,856</b>      | <b>\$ 689,945,198</b>      |

See notes to financial statements.



## BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY  
STATEMENTS OF NET POSITION (CONTINUED)  
JUNE 30, 2014 AND JUNE 30, 2013**

|  | University<br>2014    | University<br>2013    |
|--|-----------------------|-----------------------|
| <b>LIABILITIES</b>   |                       |                       |
| <b>CURRENT LIABILITIES:</b>  |                       |                       |
| Accounts payable and accrued liabilities                                 | \$ 4,222,093          | \$ 4,527,200          |
| Due to state agencies  | 1,625,057             | 8,266,044             |
| Accrued salaries and benefits payable                                    | 14,459,684            | 13,011,972            |
| Compensated absences payable   | 7,214,360             | 7,571,544             |
| Interest payable   | 2,503,512             | 2,504,167             |
| Unearned revenue   | 12,064,574            | 13,474,546            |
| Bonds payable  | 7,770,000             | 7,365,000             |
| Notes payable  | 356,703               | 340,383               |
| Obligations under capital lease - component unit                         | 360,000               | 340,000               |
| Other liabilities  | 2,325,297             | 2,043,659             |
| <b>Total current liabilities</b>   | <b>52,901,280</b>     | <b>59,444,515</b>     |
| <b>NON-CURRENT LIABILITIES:</b>  |                       |                       |
| Unearned revenue   | 1,295,215             | 1,429,499             |
| Bonds payable  | 223,521,725           | 232,205,132           |
| Notes payable  | 632,981               | 988,775               |
| Obligations under capital lease - component unit                         | 751,798               | 1,111,798             |
| Net other post employment benefits obligation                            | 8,614,138             | 7,854,138             |
| Other liabilities  | 1,308,916             | 967,917               |
| <b>Total non-current liabilities</b>                                     | <b>236,124,773</b>    | <b>244,557,259</b>    |
| <b>Total liabilities</b>   | <b>289,026,053</b>    | <b>304,001,774</b>    |
| <b>DEFERRED INFLOWS OF RESOURCES:</b>                                    |                       |                       |
| Grants received in advance   | 1,603,905             | 2,513,913             |
| <b>Total deferred inflows of resources</b>                               | <b>1,603,905</b>      | <b>2,513,913</b>      |
| <b>NET POSITION:</b>   |                       |                       |
| Net investment in capital assets   | 271,584,602           | 267,277,594           |
| Restricted, expendable   | 14,344,550            | 14,510,633            |
| Unrestricted   | 99,397,746            | 101,641,284           |
| <b>Total net position</b>  | <b>385,326,898</b>    | <b>383,429,511</b>    |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b> | <b>\$ 675,956,856</b> | <b>\$ 689,945,198</b> |

See notes to financial statements.



## BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY COMPONENT UNIT  
BOISE STATE UNIVERSITY FOUNDATION, INC.  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2014 AND JUNE 30, 2013**

|   | <b>Foundation<br/>2014</b> | <b>Foundation<br/>2013</b> |
|---|----------------------------|----------------------------|
| <b>ASSETS</b>   |                            |                            |
| <b>CURRENT ASSETS:</b>                                    |                            |                            |
| Cash and cash equivalents                                 | \$ 6,727,184               | \$ 4,753,923               |
| Accrued interest and other receivables                    | 240,258                    | 634,336                    |
| Promises to give, net                                     | 4,635,971                  | 8,893,099                  |
| Investment in lease - technology building current portion | 387,187                    | 368,112                    |
| <b>Total current assets</b>                               | <b>11,990,600</b>          | <b>14,649,470</b>          |
| <b>NON-CURRENT ASSETS:</b>                                |                            |                            |
| Restricted cash and cash equivalents                      | 6,499,657                  | 5,255,214                  |
| Promises to give, net                                     | 4,446,231                  | 4,433,078                  |
| Investments   | 126,949,185                | 115,728,962                |
| Interest in perpetual trusts                              | 2,970,953                  | 2,791,346                  |
| Investments in real estate                                | 601,432                    | 474,384                    |
| Funds held by trustee                                     | 555,091                    | 568,726                    |
| Investment in lease - technology building                 | 812,932                    | 1,200,119                  |
| Other assets  | 665,658                    | 685,412                    |
| <b>Total non-current assets</b>                           | <b>143,501,139</b>         | <b>131,137,241</b>         |
| <b>TOTAL ASSETS</b>                                       | <b>\$ 155,491,739</b>      | <b>\$ 145,786,711</b>      |

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, 2014 AND JUNE 30, 2013**

|   | <b>Foundation<br/>2014</b> | <b>Foundation<br/>2013</b> |
|---|----------------------------|----------------------------|
| <b>LIABILITIES</b>                              |                            |                            |
| <b>CURRENT LIABILITIES:</b>                     |                            |                            |
| Accounts payable                                | \$ 2,617,549               | \$ 1,774,263               |
| Interest payable                                | 20,238                     | 24,488                     |
| Prepaid suites                                  | 448,367                    | 419,521                    |
| Liability for split interest trusts             | 122,305                    | 122,968                    |
| Trust earnings payable to trust beneficiaries   | 20,364                     | 20,364                     |
| Certificates payable - current portion          | 360,000                    | 340,000                    |
| Deferred revenue - current portion              | 62,338                     | 89,407                     |
| <b>Total current liabilities</b>                | <b>3,651,161</b>           | <b>2,791,011</b>           |
| <b>NON-CURRENT LIABILITIES:</b>                 |                            |                            |
| Certificates payable                            | 1,195,000                  | 1,555,000                  |
| Other long-term debt                            | 2,000,000                  | 2,000,000                  |
| Deferred revenue                                | 765,785                    | 854,025                    |
| Deferred suites revenue                         | 376,807                    | 342,136                    |
| Liability under split interest trust agreements | 1,599,602                  | 1,722,665                  |
| Amounts held in custody for others              | 543,976                    | 410,874                    |
| Trust earnings payable to trust beneficiaries   | 197,356                    | 224,770                    |
| <b>Total non-current liabilities</b>            | <b>6,678,526</b>           | <b>7,109,470</b>           |
| <b>Total liabilities</b>                        | <b>10,329,687</b>          | <b>9,900,481</b>           |
| <b>NET ASSETS:</b>                              |                            |                            |
| Permanently restricted                          | 71,784,624                 | 67,986,609                 |
| Temporarily restricted                          | 61,044,799                 | 57,133,275                 |
| Unrestricted                                    | 12,332,629                 | 10,766,346                 |
| <b>Total net assets</b>                         | <b>145,162,052</b>         | <b>135,886,230</b>         |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>         | <b>\$ 155,491,739</b>      | <b>\$ 145,786,711</b>      |

See notes to financial statements.



## BOISE STATE UNIVERSITY

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**BOISE STATE UNIVERSITY**  
**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FISCAL YEARS ENDED JUNE 30, 2014 AND JUNE 30, 2013**

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|   | <b>University<br/>2014</b> | <b>University<br/>2013</b> |
|---|----------------------------|----------------------------|
|   |                            |                            |
| <b>OPERATING REVENUES:</b>  |                            |                            |
| Student fees, pledged for bonds   | \$ 132,216,608             | \$ 128,688,459             |
| Scholarship allowance   | (22,499,900)               | (22,095,100)               |
| Student fees, net   | 109,716,708                | 106,593,359                |
| Federal grants and contracts (including \$3,575,976 and<br>\$3,847,629 of revenues pledged for bonds in 2014 and<br>2013, respectively)     | 25,992,724                 | 30,584,458                 |
| State and local grants and contracts (including \$517,011<br>and \$300,091 of revenues pledged for bonds in 2014<br>and 2013, respectively) | 3,422,006                  | 2,988,933                  |
| Private grants and contracts (including \$369,877<br>and \$367,662 of revenues pledged for bonds in 2014<br>and 2013, respectively)         | 4,860,065                  | 5,205,243                  |
| Sales and services of educational activities, pledged for bonds   | 3,331,847                  | 3,240,346                  |
| Sales and services of auxiliary enterprises, pledged for bonds  | 58,197,895                 | 59,090,670                 |
| Other, pledged for bonds  | 2,177,360                  | 1,577,619                  |
| <b>Total operating revenues</b>   | 207,698,605                | 209,280,628                |
| <b>OPERATING EXPENSES:</b>  |                            |                            |
| Personnel cost  | 197,953,108                | 188,137,196                |
| Services  | 38,809,680                 | 38,996,985                 |
| Supplies  | 31,585,070                 | 32,232,366                 |
| Insurance, utilities and rent   | 12,075,490                 | 10,189,744                 |
| Scholarships and fellowships  | 21,489,830                 | 23,430,076                 |
| Depreciation  | 25,037,147                 | 23,020,159                 |
| Miscellaneous   | 3,327,497                  | 3,365,309                  |
| <b>Total operating expenses</b>   | 330,277,822                | 319,371,835                |
| <b>OPERATING LOSS</b>   | (122,579,217)              | (110,091,207)              |

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, 2014 AND JUNE 30, 2013**

|  | University<br>2014    | University<br>2013    |
|--|-----------------------|-----------------------|
| <b>NON-OPERATING REVENUES (EXPENSES):</b>  |                       |                       |
| State appropriations   | \$ 80,128,882         | \$ 76,642,592         |
| Pell grants  | 27,242,851            | 29,513,422            |
| Gifts (includes gifts from component unit equal to<br>\$19,779,201 and \$22,982,070 in 2014 and 2013,<br>respectively)                         | 26,673,995            | 29,715,388            |
| Net investment income (including \$308,146 and<br>\$460,150 of revenues pledged by the University for bonds<br>in 2014 and 2013, respectively) | 311,990               | 495,953               |
| Change in fair value of investments  | (8,881)               | (44,760)              |
| Interest (net of capitalized interest by the University of<br>\$123,201 and \$557,176 in 2014 and 2013, respectively)                          | (10,198,560)          | (7,988,309)           |
| Loss on retirement of capital assets   | (983,322)             | (481,783)             |
| Other  | (2,545,025)           | (3,251,164)           |
| <b>Net non-operating revenues (expenses)</b>   | <b>120,621,930</b>    | <b>124,601,339</b>    |
| <b>INCOME (LOSS) BEFORE OTHER REVENUES AND EXPENSES</b>  | <b>(1,957,287)</b>    | <b>14,510,132</b>     |
| <b>OTHER REVENUES AND EXPENSES:</b>  |                       |                       |
| Capital appropriations   | 1,765,647             | 14,642,576            |
| Capital grants and gifts (includes gifts from component unit<br>equal to \$1,449,548 and \$11,205,221 in 2014 and 2013,<br>respectively)       | 2,089,027             | 11,908,241            |
| <b>Total other revenue</b>   | <b>3,854,674</b>      | <b>26,550,817</b>     |
| <b>INCREASE IN NET POSITION</b>  | <b>1,897,387</b>      | <b>41,060,949</b>     |
| <b>NET POSITION—Beginning of year</b>  | <b>383,429,511</b>    | <b>342,368,562</b>    |
| <b>NET POSITION—End of year</b>  | <b>\$ 385,326,898</b> | <b>\$ 383,429,511</b> |

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, 2014**

|  | Unrestricted         | Temporarily<br>Restricted | Permanently<br>Restricted | Foundation<br>2014   |
|--|----------------------|---------------------------|---------------------------|----------------------|
| <b>OPERATING REVENUES:</b>                                     |                      |                           |                           |                      |
| Gifts  | \$ 2,598,716         | \$ 9,872,206              | \$ 3,480,990              | \$ 15,951,912        |
| In-kind contributions  | 14,680               | -                         | -                         | 14,680               |
| BAA membership   | 1,108,596            | 62,107                    | -                         | 1,170,703            |
| Non-charitable income  | 432,530              | 1,771,025                 | 148,687                   | 2,352,242            |
| Interest and dividends   | 1,167,634            | 1,981,361                 | -                         | 3,148,995            |
| Change in split interest trusts                                | -                    | 7,003                     | 9,425                     | 16,428               |
| Change in fair value of investments                            | 1,144,070            | 10,051,828                | -                         | 11,195,898           |
| <b>Total revenues</b>  | <b>6,466,226</b>     | <b>23,745,530</b>         | <b>3,639,102</b>          | <b>33,850,858</b>    |
| Net assets released from restrictions through satisfaction of: |                      |                           |                           |                      |
| Program restrictions   | 19,516,093           | (19,516,093)              | -                         | -                    |
| Write-off of pledges receivable                                | 201,446              | (201,446)                 | -                         | -                    |
| Board and donor designated transfers                           | 11,977               | (170,890)                 | 158,913                   | -                    |
| <b>Total operating revenues</b>                                | <b>26,195,742</b>    | <b>3,857,101</b>          | <b>3,798,015</b>          | <b>33,850,858</b>    |
| <b>OPERATING EXPENSES:</b>                                     |                      |                           |                           |                      |
| Distribution of scholarships                                   | 4,279,337            | -                         | -                         | 4,279,337            |
| Distribution of funds for academic programs                    | 4,634,197            | -                         | -                         | 4,634,197            |
| Distribution of funds for athletic programs:                   |                      |                           |                           |                      |
| Program services   | 11,670,403           | -                         | -                         | 11,670,403           |
| Fundraising expenses   | 12,624               | -                         | -                         | 12,624               |
| Management and general   | 382,297              | -                         | -                         | 382,297              |
| Uncollectable pledge expense                                   | 249,891              | -                         | -                         | 249,891              |
| Repair and maintenance of building                             | 13,646               | -                         | -                         | 13,646               |
| Administrative expense:  |                      |                           |                           |                      |
| Program services   | 560,847              | -                         | -                         | 560,847              |
| Fundraising expenses   | 1,580,462            | -                         | -                         | 1,580,462            |
| Management and general   | 1,154,371            | -                         | -                         | 1,154,371            |
| <b>Total operating expenses</b>                                | <b>24,538,075</b>    | <b>-</b>                  | <b>-</b>                  | <b>24,538,075</b>    |
| <b>OPERATING INCOME</b>  | <b>1,657,667</b>     | <b>3,857,101</b>          | <b>3,798,015</b>          | <b>9,312,783</b>     |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>                      |                      |                           |                           |                      |
| Lease income   | 25,970               | -                         | -                         | 25,970               |
| Alumni center building expense                                 | (27,208)             | -                         | -                         | (27,208)             |
| Amortization of deferred income                                | -                    | 76,606                    | -                         | 76,606               |
| Loss on sale of miscellaneous asset                            | -                    | (22,183)                  | -                         | (22,183)             |
| Interest expense   | (85,202)             | -                         | -                         | (85,202)             |
| Amortization expense   | (4,944)              | -                         | -                         | (4,944)              |
| <b>Total non-operating revenues (expenses)</b>                 | <b>(91,384)</b>      | <b>54,423</b>             | <b>-</b>                  | <b>(36,961)</b>      |
| <b>CHANGE IN NET ASSETS</b>                                    | <b>1,566,283</b>     | <b>3,911,524</b>          | <b>3,798,015</b>          | <b>9,275,822</b>     |
| <b>NET ASSETS - Beginning of year</b>                          | <b>10,766,346</b>    | <b>57,133,275</b>         | <b>67,986,609</b>         | <b>135,886,230</b>   |
| <b>NET ASSETS - End of year</b>                                | <b>\$ 12,332,629</b> | <b>\$ 61,044,799</b>      | <b>\$ 71,784,624</b>      | <b>\$145,162,052</b> |

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<br>Restricted | Permanently<br>Restricted | Foundation<br>2013   |
|--|----------------------|---------------------------|---------------------------|----------------------|
| <b>OPERATING REVENUES:</b>                                     |                      |                           |                           |                      |
| 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            |
| <b>Total revenues</b>  | <b>7,492,144</b>     | <b>22,527,369</b>         | <b>3,977,937</b>          | <b>33,997,450</b>    |
| 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                    | -                    |
| <b>Total operating revenues</b>                                | <b>45,396,623</b>    | <b>(14,321,978)</b>       | <b>2,922,805</b>          | <b>33,997,450</b>    |
| <b>OPERATING EXPENSES:</b>                                     |                      |                           |                           |                      |
| 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            |
| <b>Total operating expenses</b>                                | <b>42,881,139</b>    | <b>-</b>                  | <b>-</b>                  | <b>42,881,139</b>    |
| <b>OPERATING INCOME (LOSS)</b>                                 | <b>2,515,484</b>     | <b>(14,321,978)</b>       | <b>2,922,805</b>          | <b>(8,883,689)</b>   |
| <b>NON-OPERATING REVENUES (EXPENSES):</b>                      |                      |                           |                           |                      |
| 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)            | -                         | -                         | (172,780)            |
| Loss on sale of miscellaneous assets                           | -                    | (1,778)                   | -                         | (1,778)              |
| Depreciation and amortization expense                          | (90,476)             | -                         | -                         | (90,476)             |
| <b>Total non-operating revenues (expenses)</b>                 | <b>(261,110)</b>     | <b>154,067</b>            | <b>-</b>                  | <b>(107,043)</b>     |
| <b>CHANGE IN NET ASSETS</b>                                    | <b>2,254,374</b>     | <b>(14,167,911)</b>       | <b>2,922,805</b>          | <b>(8,990,732)</b>   |
| <b>NET ASSETS - Beginning of year</b>                          | <b>8,511,972</b>     | <b>71,301,186</b>         | <b>65,063,804</b>         | <b>144,876,962</b>   |
| <b>NET ASSETS - End of year</b>                                | <b>\$ 10,766,346</b> | <b>\$ 57,133,275</b>      | <b>\$ 67,986,609</b>      | <b>\$135,886,230</b> |

See notes to financial statements.



## BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY**  
**STATEMENTS OF CASH FLOWS**  
**FISCAL YEARS ENDED JUNE 30, 2014 AND JUNE 30, 2013**

|  | <b>University<br/>2014</b> | <b>University<br/>2013</b> |
|--|----------------------------|----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                     |                            |                            |
| Student fees   | \$ 113,637,802             | \$ 105,670,609             |
| Grants and contracts   | 35,457,365                 | 37,802,783                 |
| Sales and services of educational activities                     | 3,579,535                  | 3,030,427                  |
| Sales and services of auxiliary enterprises                      | 56,793,541                 | 58,590,439                 |
| Other operating receipts   | 2,294,035                  | 1,578,965                  |
| Payments to employees  | (196,024,037)              | (186,040,211)              |
| Payments for services  | (38,695,712)               | (38,742,790)               |
| Payments for supplies  | (30,342,133)               | (33,117,688)               |
| Payments for insurance, utilities and rent                       | (12,005,960)               | (10,085,150)               |
| Payments for scholarships and fellowships                        | (21,486,643)               | (23,426,751)               |
| Loans issued to students   | (1,681,117)                | (1,373,996)                |
| Collections of loans to students                                 | 1,359,224                  | 1,465,155                  |
| Other payments   | (3,368,980)                | (3,009,784)                |
| <b>Net cash used in operating activities</b>                     | <b>(90,483,080)</b>        | <b>(87,657,992)</b>        |
| <b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>         |                            |                            |
| State appropriations   | 80,128,882                 | 76,642,592                 |
| Pell grants  | 27,242,851                 | 29,513,422                 |
| Gifts  | 25,614,945                 | 31,302,261                 |
| Direct lending receipts  | 83,193,241                 | 94,100,967                 |
| Direct lending payments  | (83,193,241)               | (94,100,967)               |
| Other Payments   | (2,185,000)                | (1,793,854)                |
| <b>Net cash provided by non-capital financing activities</b>     | <b>130,801,678</b>         | <b>135,664,421</b>         |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b> |                            |                            |
| Capital grants and gifts   | 1,287,272                  | 4,476,039                  |
| Purchases of capital assets                                      | (23,735,650)               | (48,924,362)               |
| Proceeds from notes and bonds payable                            | -                          | 25,375,610                 |
| Principal paid on notes and bonds payable and capital leases     | (8,044,474)                | (27,322,712)               |
| Interest paid on notes and bonds payable and capital leases      | (10,272,004)               | (10,515,957)               |
| Payments for bond issuance costs                                 | -                          | 33,280                     |
| Other  | (623,746)                  | (89,398)                   |
| <b>Net cash used in capital and related financing activities</b> | <b>(41,388,602)</b>        | <b>(56,967,500)</b>        |

See notes to financial statements.



## BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FISCAL YEARS ENDED JUNE 30, 2014 AND JUNE 30, 2013**

|   | University<br>2014            | University<br>2013            |
|---|-------------------------------|-------------------------------|
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                               |                               |
| Purchase of investments   | \$ (254,356,020)              | \$ (271,322,363)              |
| Proceeds from sales and maturities of investments   | 260,703,228                   | 280,222,980                   |
| Investment income   | 1,070,146                     | 941,643                       |
| <b>Net cash used by investing activities</b>  | <b>7,417,354</b>              | <b>9,842,260</b>              |
| NET CHANGE IN CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER   | 6,347,350                     | 881,189                       |
| CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER—Beginning of year   | 38,525,206                    | 37,644,017                    |
| CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER—End of year   | <u>\$ 44,872,556</u>          | <u>\$ 38,525,206</u>          |
| <b>RECONCILIATION OF NET OPERATING REVENUES<br/>(EXPENSES) TO NET CASH AND CASH EQUIVALENTS<br/>USED IN OPERATING ACTIVITIES:</b> |                               |                               |
| Operating loss  | \$ (122,579,217)              | \$ (110,091,207)              |
| Adjustments to reconcile operating loss to net cash used in operating activities:   |                               |                               |
| Depreciation and amortization   | 25,050,951                    | 23,035,427                    |
| Changes in assets and liabilities:  |                               |                               |
| Accounts receivable and unbilled charges, net   | 6,977,920                     | (4,167,012)                   |
| Student loans receivable, net   | (207,983)                     | 273,793                       |
| Inventories   | 924,427                       | 85,616                        |
| Other assets  | (208,696)                     | 354,217                       |
| Accounts payable and accrued liabilities  | 100,617                       | (1,414,970)                   |
| Accrued salaries and benefits payable   | 1,447,712                     | 662,522                       |
| Compensated absences payable  | (357,184)                     | 474,250                       |
| Unearned revenue  | (2,454,263)                   | 2,236,207                     |
| Other post employment benefits obligation   | 62,636                        | 818,972                       |
| Other liabilities   | 760,000                       | 74,193                        |
| <b>Net cash used in operating activities</b>  | <b><u>\$ (90,483,080)</u></b> | <b><u>\$ (87,657,992)</u></b> |
| <b>SUPPLEMENTAL DISCLOSURE OF NON-CASH<br/>TRANSACTIONS:</b>  |                               |                               |
| Assets donated to the University  | 2,567,402                     | 22,074,778                    |
| Donated building maintenance  | 1,092,392                     | 1,221,437                     |
|   | <u>\$ 3,659,794</u>           | <u>\$ 23,296,215</u>          |

See notes to financial statements.





## BOISE STATE UNIVERSITY

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### 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](http://www.sco.idaho.gov)

The financial statements for fiscal years ended June 30, 2014 and June 30, 2013 are prepared in accordance with Governmental Accounting Standards Board ("GASB") principles which constitute Generally Accepted Accounting Principles ("GAAP") for governmental entities. The University considers component units with net position greater than 5% of the University's net position to be significant. As such, the Boise State University Foundation, Inc. (the "Foundation") is discretely presented for the fiscal years ended June 30, 2014 and 2013. 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



## BOISE STATE UNIVERSITY

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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.



## BOISE STATE UNIVERSITY

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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.

***Deferred Outflows of Resources*** – Deferred outflows of resources are a consumption of net position by the University that are applicable to future reporting periods. Similar to assets, they have a positive effect on the University's net position.

***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, deferred compensation plans and accrued expenses.

***Deferred Inflows of Resources*** – Deferred inflows of resources are an acquisition of net position that are applicable to future reporting periods. Similar to liabilities, they have a negative effect on net position.

***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.



## BOISE STATE UNIVERSITY

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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



## BOISE STATE UNIVERSITY

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** – The University implemented the provisions of GASB Statement 65, “Items Previously Reported as Assets and Liabilities.” This statement establishes new accounting clarification for certain financial statement items that were previously reported as assets and liabilities that will now be classified as deferred outflows of resources, deferred inflows of resources or expensed as incurred. The impact to the University’s financial statements of implementing this statement required expensing the remaining balance of pre-fiscal year 2014 bond issuance cost of \$1,705,110, as of July 1, 2012, which was previously being amortized over the lifetime of the bond issue. The impact on net position is as follows:

|                                  | Prior to restatement<br>June 30, 2013 | Impact of<br>Restatement | Restated June 30,<br>2013 |
|----------------------------------|---------------------------------------|--------------------------|---------------------------|
| <b>NET POSITION:</b>             |                                       |                          |                           |
| Net investment in capital assets | \$ 268,939,391                        | \$ (1,661,797)           | \$ 267,277,594            |
| Restricted, expendable           | 14,553,946                            | (43,313)                 | 14,510,633                |
| Unrestricted                     | 101,641,284                           | -                        | 101,641,284               |
| <b>TOTAL NET POSITION</b>        | <u>\$ 385,134,621</u>                 | <u>\$ (1,705,110)</u>    | <u>\$ 383,429,511</u>     |

In June of 2012, the GASB issued Statement No. 68, “Accounting and Financial Reporting for Pensions”. The requirements of this Statement will improve the decision-usefulness 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.

In January of 2013, the GASB issued Statement No. 69, “Government Combinations and Disposals of Government Operations”. This Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* include a variety of transactions referred to as mergers, acquisitions, and transfers of operations. Management does not believe that the University



## BOISE STATE UNIVERSITY

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will be impacted by this standard. The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013.

In April of 2013, the GASB issued Statement No. 70, "Accounting and Financial Reporting for Non-exchange Financial Guarantees". This Statement requires a government that extends a non-exchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows related to the guarantee expected to be incurred. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. Management does not believe that the University will be impacted by this standard.

In November of 2013, the GASB issued Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68". The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. Management has not yet determined the impact this standard will have on the University's financial statements. The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68, for the fiscal year ended June 30, 2015.





## BOISE STATE UNIVERSITY

### 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 \$109,459 and \$129,852 as of June 30, 2014 and 2013, 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<br>As of June 30                         |                     |                     |
|---|---------------------|---------------------|
|   | 2014                | 2013                |
| Insured   | \$ 250,000          | \$ 250,000          |
| Uncollateralized  | 167,977             | 409,419             |
| Collateralized by securities held by the pledging financial institution | 4,705,895           | \$ 4,375,865        |
| <b>Total deposits</b>   | <b>\$ 5,123,872</b> | <b>\$ 5,035,284</b> |

**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 Idaho State Treasurer's Office.

The University had original cost of \$53,328,444 and \$56,777,479 invested in the State's external pools as of June 30, 2014 and 2013, respectively.





## BOISE STATE UNIVERSITY

**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 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<br>As of June 30, 2014<br>(Dollars in Thousands) |                  |                 |                 |                  |                 |             |                  |
|---|------------------|-----------------|-----------------|------------------|-----------------|-------------|------------------|
| Investment Type   | Fair Value       | AAA             | AA              | A                | BAA             | P-1         | Unrated          |
| External investment pool  | \$ 53,329        | \$ -            | \$ -            | \$ -             | \$ -            | \$ -        | \$ 53,329        |
| Corporate notes and bonds   | 31,819           | -               | 1,011           | 29,579           | 1,229           | -           | -                |
| Federal Farm Credit Bank  | 1,994            | 1,994           | -               | -                | -               | -           | -                |
|   | 87,142           | 1,994           | 1,011           | 29,579           | 1,229           | -           | 53,329           |
| Investments held on behalf of employee benefit plans:                           |                  |                 |                 |                  |                 |             |                  |
| - Bond/equity mutual funds  | 354              | -               | -               | -                | -               | -           | 354              |
| - Equity mutual funds   | 326              | -               | -               | -                | -               | -           | 326              |
| - Income mutual funds   | 69               | -               | -               | -                | -               | -           | 69               |
|   | 749              | -               | -               | -                | -               | -           | 749              |
| <b>Total investments</b>  | <b>\$ 87,891</b> | <b>\$ 1,994</b> | <b>\$ 1,011</b> | <b>\$ 29,579</b> | <b>\$ 1,229</b> | <b>\$ -</b> | <b>\$ 54,078</b> |
| <b>% of Total</b>   | <b>100%</b>      | <b>2%</b>       | <b>1%</b>       | <b>34%</b>       | <b>1%</b>       | <b>0%</b>   | <b>62%</b>       |

| Credit Risk of Debt Securities<br>As of June 30, 2013<br>(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              |
| <b>Total investments</b>  | <b>\$ 95,067</b> | <b>\$ 2,500</b> | <b>\$ 1,202</b> | <b>\$ 25,617</b> | <b>\$ 3,006</b> | <b>\$ 4,997</b> | <b>\$ 57,745</b> |
| <b>% of Total</b>   | <b>100%</b>      | <b>3%</b>       | <b>1%</b>       | <b>27%</b>       | <b>3%</b>       | <b>5%</b>       | <b>61%</b>       |



## BOISE STATE UNIVERSITY

**Concentration of Credit Risk** – GASB Statement 40 requires governments to 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, the University had the following concentration of credit risk:

| Concentration of Credit Risk<br>As of June 30, 2014<br>(Dollars in Thousands) |                     |               |
|---|---------------------|---------------|
| Issuer  | Fair Value          | Concentration |
| American Express Credit Corporation   | \$ 4,702,001        | 5%            |
| Credit Suisse   | 4,789,388           | 5%            |
| <b>Total investments</b>  | <b>\$ 9,491,389</b> | <b>10%</b>    |

| Concentration of Credit Risk<br>As of June 30, 2013<br>(Dollars in Thousands) |                      |               |
|---|----------------------|---------------|
| Issuer  | Fair Value           | Concentration |
| American Express Credit Corporation   | \$ 5,046,268         | 5%            |
| Capital One Bank, (USA), National Association                                 | 5,144,871            | 5%            |
| The Goldman Sachs Group, Incorporated   | 5,011,683            | 5%            |
| ING (U.S.) Funding LLC  | 4,997,021            | 5%            |
| JPMorgan Chase & Company  | 5,123,928            | 5%            |
| <b>Total investments</b>  | <b>\$ 25,323,771</b> | <b>25%</b>    |





## BOISE STATE UNIVERSITY

**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 7.0% of total investments are invested in securities with maturities longer than 1 year as of June 30, 2014.

| Investment Maturities In Years<br>As of June 30, 2014<br>(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  | \$ 53,329        | \$ 53,319        | \$ 10           | \$ -        | \$ -        | \$ -        | \$ -        |  |
| Corporate notes and bonds   | 31,819           | 27,663           | 4,156           | -           | -           | -           | -           |  |
| Federal Farm Credit Bank  | 1,994            | -                | 1,994           | -           | -           | -           | -           |  |
|   | 87,142           | 80,982           | 6,160           | -           | -           | -           | -           |  |
| Investments held on behalf of employee benefit plans:                           |                  |                  |                 |             |             |             |             |  |
| - Bond/equity mutual funds  | 354              | 354              | -               | -           | -           | -           | -           |  |
| - Equity mutual funds   | 326              | 326              | -               | -           | -           | -           | -           |  |
| - Income mutual funds   | 69               | 69               | -               | -           | -           | -           | -           |  |
|   | 749              | 749              | -               | -           | -           | -           | -           |  |
| <b>Total investments</b>  | <b>\$ 87,891</b> | <b>\$ 81,731</b> | <b>\$ 6,160</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |  |

| Investment Maturities In Years<br>As of June 30, 2013<br>(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           | -           | -           | -           | -           | -           |  |
| Federal Home Loan Bank  | 2,500            | 2,500            | -           | -           | -           | -           | -           |  |
| Commercial paper  | 4,997            | 4,997            | -           | -           | -           | -           | -           |  |
|   | 94,099           | 94,090           | 9           | -           | -           | -           | -           |  |
| 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              | -           | -           | -           | -           | -           |  |
| <b>Total investments</b>  | <b>\$ 95,067</b> | <b>\$ 95,058</b> | <b>\$ 9</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |  |



## BOISE STATE UNIVERSITY

**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, 2014, by various customers, students and constituencies of the University as a result of providing services to said groups. Amounts due to the University are reviewed on a quarterly basis for collectability; the allowance for doubtful accounts is adjusted to reflect what management deems to be collectable.

| Accounts Receivable and Unbilled Charges as of June 30 | 2014                 | 2013                 |
|--|----------------------|----------------------|
| Student fees & third party receivables                 | \$ 14,416,987        | \$ 16,158,292        |
| Auxiliary enterprises and other operating activities   | 1,283,576            | 1,578,807            |
| Federal, state, and private grants and contracts       | 3,027,947            | 3,514,852            |
| Unbilled charges                                       | 6,332,672            | 8,515,213            |
| <b>Accounts receivable and unbilled charges</b>        | <b>25,061,182</b>    | <b>29,767,164</b>    |
| Less allowance for doubtful accounts                   | (6,536,649)          | (4,264,711)          |
| <b>Accounts receivable and unbilled charges, net</b>   | <b>\$ 18,524,533</b> | <b>\$ 25,502,453</b> |



## BOISE STATE UNIVERSITY

### 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, 2014 and 2013. The Program provides a cancellation benefit to borrowers at rates of 12.5% 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, 2014.

| Student Loans Receivable as of June 30 | 2014                 | 2013                 |
|--|----------------------|----------------------|
| Student loans receivable - current     | \$ 1,668,800         | \$ 1,575,000         |
| Student loans receivable - non-current | 9,083,183            | 8,971,550            |
| <b>Student loans receivable</b>        | <b>10,751,983</b>    | <b>10,546,550</b>    |
| Less allowance for doubtful accounts   | (110,350)            | (112,900)            |
| <b>Student loans receivable, net</b>   | <b>\$ 10,641,633</b> | <b>\$ 10,433,650</b> |





## BOISE STATE UNIVERSITY

### 5. CAPITAL ASSETS, NET

Following are the changes in capital assets for the fiscal year ended June 30, 2014:

|  | 2014 (Dollars in Thousands) |                    |                    |                 |                          |
|--|-----------------------------|--------------------|--------------------|-----------------|--------------------------|
|  | Balance<br>June 30, 2013    | Additions          | Transfers          | Retirements     | Balance<br>June 30, 2014 |
| <b>Capital assets not being depreciated:</b> |                             |                    |                    |                 |                          |
| Land   | \$ 63,259                   | \$ 1,238           | \$ -               | \$ -            | \$ 64,497                |
| Construction in progress                     | 34,353                      | 10,612             | (37,251)           | -               | 7,714                    |
| <b>Total assets not being depreciated</b>    | <u>\$ 97,612</u>            | <u>\$ 11,850</u>   | <u>\$ (37,251)</u> | <u>\$ -</u>     | <u>\$ 72,211</u>         |
| <b>Other capital assets:</b>                 |                             |                    |                    |                 |                          |
| Buildings and improvements                   | \$ 533,054                  | \$ 1,553           | \$ 32,084          | \$ (2,855)      | \$ 563,836               |
| Furniture and equipment                      | 61,468                      | 4,824              | 1,220              | (3,903)         | 63,609                   |
| Library materials                            | 33,104                      | 1,834              | -                  | (2,036)         | 32,902                   |
| Intangibles                                  | 19,913                      | -                  | 3,947              | -               | 23,860                   |
| <b>Total other capital assets</b>            | <u>647,539</u>              | <u>8,211</u>       | <u>37,251</u>      | <u>(8,794)</u>  | <u>684,207</u>           |
| <b>Less accumulated depreciation:</b>        |                             |                    |                    |                 |                          |
| Buildings and improvements                   | (155,575)                   | (16,086)           | -                  | 2,383           | (169,278)                |
| Furniture and equipment                      | (42,073)                    | (5,646)            | -                  | 3,749           | (43,970)                 |
| Library materials                            | (24,891)                    | (1,718)            | -                  | 1,667           | (24,942)                 |
| Intangibles                                  | (14,713)                    | (1,587)            | -                  | -               | (16,300)                 |
| <b>Total accumulated depreciation</b>        | <u>(237,252)</u>            | <u>(25,037)</u>    | <u>-</u>           | <u>7,799</u>    | <u>(254,490)</u>         |
| <b>Other capital assets, net</b>             | <u>\$ 410,287</u>           | <u>\$ (16,826)</u> | <u>\$ 37,251</u>   | <u>\$ (995)</u> | <u>\$ 429,717</u>        |
| <b>Capital assets summary:</b>               |                             |                    |                    |                 |                          |
| Capital assets not being depreciated         | \$ 97,612                   | \$ 11,850          | \$ (37,251)        | \$ -            | \$ 72,211                |
| Other capital assets at cost                 | 647,539                     | 8,211              | 37,251             | (8,794)         | 684,207                  |
| <b>Total cost of capital assets</b>          | <u>745,151</u>              | <u>20,061</u>      | <u>-</u>           | <u>(8,794)</u>  | <u>756,418</u>           |
| <b>Less accumulated depreciation</b>         | <u>(237,252)</u>            | <u>(25,037)</u>    | <u>-</u>           | <u>7,799</u>    | <u>(254,490)</u>         |
| <b>Capital assets, net</b>                   | <u>\$ 507,899</u>           | <u>\$ (4,976)</u>  | <u>\$ -</u>        | <u>\$ (995)</u> | <u>\$ 501,928</u>        |

In addition to accounts payable for construction costs, the estimated cost to complete property authorized or under construction at June 30, 2014, is \$5,898,505. These costs will be funded by construction proceeds from outstanding debt and available reserves.



## BOISE STATE UNIVERSITY

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

| <b>2013 (Dollars in Thousands)</b>           |                         |                    |                    |                 |                          |
|--|-------------------------|--------------------|--------------------|-----------------|--------------------------|
|  | Balance<br>July 1, 2012 | Additions          | Transfers          | Retirements     | Balance<br>June 30, 2013 |
| <b>Capital assets not being depreciated:</b> |                         |                    |                    |                 |                          |
| Land   | \$ 51,632               | \$ 11,627          | \$ -               | \$ -            | \$ 63,259                |
| Construction in progress                     | 73,123                  | 45,199             | (83,969)           | -               | 34,353                   |
| <b>Total assets not being depreciated</b>    | <u>\$ 124,755</u>       | <u>\$ 56,826</u>   | <u>\$ (83,969)</u> | <u>\$ -</u>     | <u>\$ 97,612</u>         |
| <b>Other capital assets:</b>                 |                         |                    |                    |                 |                          |
| Buildings 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                   |
| <b>Total other capital assets</b>            | <u>555,125</u>          | <u>12,626</u>      | <u>83,969</u>      | <u>(4,181)</u>  | <u>647,539</u>           |
| <b>Less accumulated depreciation:</b>        |                         |                    |                    |                 |                          |
| 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)                 |
| <b>Total accumulated depreciation</b>        | <u>(217,774)</u>        | <u>(23,020)</u>    | <u>-</u>           | <u>3,542</u>    | <u>(237,252)</u>         |
| <b>Other capital assets, net</b>             | <u>\$ 337,351</u>       | <u>\$ (10,394)</u> | <u>\$ 83,969</u>   | <u>\$ (639)</u> | <u>\$ 410,287</u>        |
| <b>Capital assets summary:</b>               |                         |                    |                    |                 |                          |
| 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                  |
| <b>Total cost of capital assets</b>          | 679,880                 | 69,452             | -                  | (4,181)         | 745,151                  |
| <b>Less accumulated depreciation</b>         | <u>(217,774)</u>        | <u>(23,020)</u>    | <u>-</u>           | <u>3,542</u>    | <u>(237,252)</u>         |
| <b>Capital assets, net</b>                   | <u>\$ 462,106</u>       | <u>\$ 46,432</u>   | <u>\$ -</u>        | <u>\$ (639)</u> | <u>\$ 507,899</u>        |



## BOISE STATE UNIVERSITY

### 6. UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES

Unearned revenue includes amounts received for prepaid ticket sales, auxiliary enterprise revenue received not earned, student fees, grant and contract revenue not meeting eligibility requirements, 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                 | 2014                 | 2013                 |
|--|----------------------|----------------------|
| Prepaid ticket sales and auxiliary enterprises | \$ 6,129,431         | \$ 7,001,130         |
| Student fees                                   | 4,247,399            | 4,356,154            |
| Grants and contracts                           | 1,004,291            | 1,581,158            |
| School district land swap                      | 1,162,928            | 1,262,177            |
| Other unearned revenue                         | 815,740              | 703,426              |
| <b>Unearned revenue</b>                        | <b>\$ 13,359,789</b> | <b>\$ 14,904,045</b> |

Deferred inflows of resources includes grant and contract revenue received before time requirements are met but, after all other eligibility requirements have been met.

| Deferred inflows of resources as of June 30 | 2014                | 2013                |
|---|---------------------|---------------------|
| Grants Received in Advance                  | \$ 1,603,905        | \$ 2,513,913        |
| <b>Deferred inflows of resources</b>        | <b>\$ 1,603,905</b> | <b>\$ 2,513,913</b> |





## BOISE STATE UNIVERSITY

### 7. DEFERRED OUTFLOWS OF RESOURCES AND LONG-TERM LIABILITIES

Following are the changes in refunding of debt (representing the difference between the reacquisition price and the net carrying amount of the old debt), 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, 2014 and 2013:

|  | 2014 (Dollars in Thousands)       |                 |                   |                                    |                                   |
|--|-----------------------------------|-----------------|-------------------|------------------------------------|-----------------------------------|
|  | Ending<br>Balance<br>July 1, 2013 | Additions       | Reductions        | Ending<br>Balance<br>June 30, 2014 | Amounts<br>due within<br>one year |
| <b>Deferred outflows of resources:</b>     |                                   |                 |                   |                                    |                                   |
| 2004-2012A Bond refunding                  | \$ 1,209                          | \$ -            | \$ (61)           | \$ 1,148                           |                                   |
| 2009 Bond refunding                        | 116                               | -               | (66)              | 50                                 |                                   |
| 2007A Bond refunding                       | 1,392                             | -               | (80)              | 1,312                              |                                   |
| 2005 Bond refunding                        | 138                               | -               | (24)              | 114                                |                                   |
| 2004-2013A Bond refunding                  | 521                               | -               | (521)             | -                                  |                                   |
| 2005-2013A Bond refunding                  | 529                               | -               | (27)              | 502                                |                                   |
| 2005-2013B Bond refunding                  | 594                               | -               | (61)              | 533                                |                                   |
| Refunding of debt                          | <u>\$ 4,499</u>                   | <u>\$ -</u>     | <u>\$ (840)</u>   | <u>\$ 3,659</u>                    |                                   |
| <b>Long-term debt:</b>                     |                                   |                 |                   |                                    |                                   |
| Revenue bonds payable                      | \$ 234,700                        | \$ -            | \$ (7,365)        | \$ 227,335                         | \$ 7,770                          |
| Premium on revenue bonds                   | 4,870                             | -               | (913)             | 3,957                              | -                                 |
| Notes payable                              | 1,329                             | -               | (339)             | 990                                | 357                               |
| Capital lease obligations - component unit | 1,452                             | -               | (340)             | 1,112                              | 360                               |
| <b>Total long-term debt</b>                | <u>242,351</u>                    | <u>-</u>        | <u>(8,957)</u>    | <u>233,394</u>                     | <u>8,487</u>                      |
| <b>Other liabilities:</b>                  |                                   |                 |                   |                                    |                                   |
| Non-current unearned revenue               | 1,430                             | -               | (134)             | 1,296                              | -                                 |
| Net other post employment benefits         | 7,854                             | 760             | -                 | 8,614                              | -                                 |
| Non-current other                          | 968                               | 560             | (219)             | 1,309                              | 140                               |
| <b>Total other liabilities</b>             | <u>10,252</u>                     | <u>1,320</u>    | <u>(353)</u>      | <u>11,219</u>                      | <u>140</u>                        |
| <b>Long-term liabilities</b>               | <u>\$ 252,603</u>                 | <u>\$ 1,320</u> | <u>\$ (9,310)</u> | <u>\$ 244,613</u>                  | <u>\$ 8,627</u>                   |



## BOISE STATE UNIVERSITY

|  | 2013 (Dollars in Thousands)       |                  |                    |                                    |                                   |
|--|-----------------------------------|------------------|--------------------|------------------------------------|-----------------------------------|
|  | Ending<br>Balance<br>July 1, 2012 | Additions        | Reductions         | Ending<br>Balance<br>June 30, 2013 | Amounts<br>due within<br>one year |
| <b>Deferred outflows of resources:</b>     |                                   |                  |                    |                                    |                                   |
| 2004-2012A Bond refunding                  | \$ 1,270                          | \$ -             | \$ (61)            | \$ 1,209                           |                                   |
| 2003-2012A Bond refunding                  | 206                               |                  | (206)              | -                                  |                                   |
| 2009 Bond refunding                        | 183                               |                  | (67)               | 116                                |                                   |
| 2007A Bond refunding                       | 1,472                             |                  | (80)               | 1,392                              |                                   |
| 2005 Bond refunding                        | 435                               |                  | (297)              | 138                                |                                   |
| 2004-2013A Bond refunding                  | -                                 | 521              |                    | 521                                |                                   |
| 2005-2013A Bond refunding                  | -                                 | 529              |                    | 529                                |                                   |
| 2005-2013B Bond refunding                  | -                                 | 594              |                    | 594                                |                                   |
| Refunding of debt                          | <u>\$ 3,566</u>                   | <u>\$ 1,644</u>  | <u>\$ (711)</u>    | <u>\$ 4,499</u>                    |                                   |
| <b>Long-term debt:</b>                     |                                   |                  |                    |                                    |                                   |
| Revenue bonds payable                      | \$ 235,340                        | \$ 25,955        | \$ (26,595)        | \$ 234,700                         | \$ 7,365                          |
| 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                               |
| <b>Total long-term debt</b>                | <u>245,609</u>                    | <u>27,150</u>    | <u>(30,408)</u>    | <u>242,351</u>                     | <u>8,045</u>                      |
| <b>Other liabilities:</b>                  |                                   |                  |                    |                                    |                                   |
| 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                                | -                                 |
| <b>Total other liabilities</b>             | <u>9,259</u>                      | <u>1,154</u>     | <u>(161)</u>       | <u>10,252</u>                      | <u>-</u>                          |
| <b>Long-term liabilities</b>               | <u>\$ 254,868</u>                 | <u>\$ 28,304</u> | <u>\$ (30,569)</u> | <u>\$ 252,603</u>                  | <u>\$ 8,045</u>                   |





## BOISE STATE UNIVERSITY

### 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, 2014 and 2013. 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, 2014 and 2013.

#### *Bonds Payable* - Outstanding:

| Bond Issue                          | June 30, 2014 (Dollars in Thousands) |                                   |   |               |                          |                          |  |
|-------------------------------------|--------------------------------------|-----------------------------------|---|---------------|--------------------------|--------------------------|--|
|                                     | Original Face Value                  | Range of Annual Principal Amounts | Range of Semi Annual Interest Percentages | Maturity Date | Outstanding Balance 2014 | Outstanding Balance 2013 |  |
| General Revenue Bonds, Series 2013A | \$ 14,195                            | \$ 65 - \$1,300                   | 2.000% - 5.000%                           | 2033          | \$ 14,130                | \$ 14,195                |  |
| General Revenue Bonds, Series 2013B | \$ 11,760                            | \$ 550 - \$2,575                  | 0.670% - 2.836%                           | 2023          | 11,160                   | 11,760                   |  |
| General Revenue Bonds, Series 2012A | \$ 33,330                            | \$ 305 - \$3,455                  | 2.000% - 5.000%                           | 2042          | 32,425                   | 33,025                   |  |
| General Revenue Bonds, Series 2010A | \$ 1,195                             | \$ 285 - \$ 315                   | 3.000% - 4.000%                           | 2015          | 315                      | 615                      |  |
| 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          | 30,030                   | 32,780                   |  |
| General Revenue Bonds, Series 2007A | \$ 96,365                            | \$ 145 - \$7,880                  | 4.000% - 5.000%                           | 2037          | 95,900                   | 96,065                   |  |
| General Revenue Bonds, Series 2007B | \$ 25,860                            | \$ 510 - \$1,760                  | 4.000% - 5.000%                           | 2037          | 25,350                   | 25,860                   |  |
| General Revenue Bonds, Series 2007C | \$ 2,850                             | \$ 125 - \$ 600                   | 5.210% - 5.210%                           | 2014          | -                        | 125                      |  |
| General Revenue Bonds, Series 2005A | \$ 21,925                            | \$ 140 - \$2,695                  | 3.750% - 5.000%                           | 2034          | 5,130                    | 6,195                    |  |
| General Revenue Bonds, Series 2004A | \$ 31,480                            | \$ 725 - \$2,205                  | 4.000% - 5.000%                           | 2033          | -                        | 1,185                    |  |
| Bonds before premium                |                                      |                                   |   |               | 227,335                  | 234,700                  |  |
| Premium on bonds                    |                                      |                                   |   |               | 3,957                    | 4,870                    |  |
| Total bonds outstanding             |                                      |                                   |   |               | \$ 231,292               | \$ 239,570               |  |



## BOISE STATE UNIVERSITY

**Bonds Payable** - Principal and interest maturities as of June 30, 2014, are as follows:

| Bonds Payable 2014<br>(Dollars in Thousands) |           |         |          |         |            |
|--|-----------|---------|----------|---------|------------|
|  | Principal |         | Interest |         | Total      |
| 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   |           | 9,370   |          | 8,744   | 18,114     |
| 2020-2024                                    |           | 45,490  |          | 37,945  | 83,435     |
| 2025-2029                                    |           | 41,375  |          | 28,758  | 70,133     |
| 2030-2034                                    |           | 50,885  |          | 18,803  | 69,688     |
| 2035-2039                                    |           | 43,335  |          | 6,048   | 49,383     |
| 2040-2044                                    |           | 3,470   |          | 322     | 3,792      |
| Total  | \$        | 227,335 | \$       | 138,778 | \$ 366,113 |

**Extinguished Debt** - As of June 30, 2014, debt in the amount of \$10,475,000 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 \$10,961,362 for the payment of maturities on refunded bonds.

| Bonds Payable 2014        |                       |                      |                      |                                |
|---------------------------|-----------------------|----------------------|----------------------|--------------------------------|
| Refunded Bond Issue       | 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            | 31,480,000           | 23,190,000           | -                              |
| 2005 General Revenue Bond | 21,925,000            | 6,320,000            | 10,475,000           | 10,475,000                     |
| <b>Total</b>              | <b>\$ 60,025,000</b>  | <b>\$ 44,420,000</b> | <b>\$ 37,695,000</b> | <b>\$ 10,475,000</b>           |

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



## BOISE STATE UNIVERSITY

**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, 2014:

| <b>Pledged revenues:</b>        | <b>2014</b>           |
|---------------------------------|-----------------------|
| Student fees                    | \$ 132,216,608        |
| Rentals                         | 11,163,314            |
| Residence dining income         | 4,196,335             |
| Other                           | 2,177,360             |
| Sales & service                 | 46,170,093            |
| F&A recovery                    | 4,462,863             |
| Investment income               | 308,146               |
| <b>Total pledged revenue</b>    | <b>200,694,719</b>    |
| Less operations and maintenance | (69,339,102)          |
| <b>Pledged revenues, net</b>    | <b>\$ 131,355,617</b> |
| <b>Debt service</b>             | <b>\$ 17,618,182</b>  |
| <b>Debt service coverage</b>    | <b>746%</b>           |
| <b>Coverage requirement</b>     | <b>110%</b>           |





## BOISE STATE UNIVERSITY

### Notes Payable - Outstanding:

| Notes Payable              | June 30, 2014 (Dollars in Thousands) |                              |               |               |                   |                          |                          |
|----------------------------|--------------------------------------|------------------------------|---------------|---------------|-------------------|--------------------------|--------------------------|
|                            | Original Face Value                  | Terms                        | Interest Rate | Maturity Date | Collateralized by | Outstanding Balance 2014 | Outstanding Balance 2013 |
| 2006 Bank note payable     | \$ 3,381                             | 11 year monthly amortization | 4.77%         | 2016          | (1)               | \$ 990                   | \$ 1,329                 |
| <b>Total Notes Payable</b> |                                      |                              |               |               |                   | <u>\$ 990</u>            | <u>\$ 1,329</u>          |

(1) Bronco Athletic Association guarantee

### Notes Payable - Principal and interest maturities as of June 30, 2014, are as follows:

|              | Notes Payable 2014<br>(Dollars in Thousands) |              |                 |
|--------------|--|--------------|-----------------|
|              | Principal                                    | Interest     | Total           |
| 2015         | \$ 357                                       | \$ 39        | \$ 396          |
| 2016         | 633  | 26           | 659             |
| <b>Total</b> | <u>\$ 990</u>                                | <u>\$ 65</u> | <u>\$ 1,055</u> |





## BOISE STATE UNIVERSITY

### 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, 2014, are as follows:

| 2014 (Dollars in Thousands)                 |                 |
|---|-----------------|
| Future minimum capital lease obligations    |                 |
| 2015  | \$ 427          |
| 2016  | 428             |
| 2017  | 399             |
| 2018  | 6               |
| <b>Total minimum obligations</b>            | <b>1,260</b>    |
| Less interest                               | (148)           |
| <b>Present value of minimum obligations</b> | <b>\$ 1,112</b> |

Following are the book value, accumulated depreciation, and net book value for capitalized leased assets as of June 30, 2014:

| Assets under capital leases: | Book Value | Accumulated Depreciation | Net Book Value |
|------------------------------|------------|--------------------------|----------------|
| Buildings and improvements   | \$ 8,048   | \$ (4,235)               | \$ 3,813       |





## BOISE STATE UNIVERSITY

**Operating Lease Obligations** - The University has entered into various non-cancellable operating lease agreements covering certain space and equipment. The lease terms range from one to five years. The expense for operating leases was \$905,715 for the year ended June 30, 2014 and \$413,474 for the year ended June 30, 2013.

Future minimum lease payments on non-cancellable leases at June 30, 2014, are as follows:

| Future minimum operating lease obligations              |                     |
|---|---------------------|
| 2015  | \$ 941,508          |
| 2016  | 858,515             |
| 2017  | 555,148             |
| 2018  | 443,335             |
| <b>Total future minimum operating lease obligations</b> | <b>\$ 2,798,506</b> |





## 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](http://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 912 employees contribute to this plan.



## BOISE STATE UNIVERSITY

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:                                      | 2014                | 2013                | 2012                |
|---|---------------------|---------------------|---------------------|
| University contributions required and paid  | \$ 2,963,747        | \$ 2,841,366        | \$ 2,707,520        |
| Employee contributions                      | 1,777,617           | 1,703,857           | 1,623,553           |
| Total contributions                         | <u>\$ 4,741,364</u> | <u>\$ 4,545,223</u> | <u>\$ 4,331,073</u> |
| University required contribution rate       | 11.32%              | 10.39%              | 10.39%              |
| Percentage of covered payroll for employees | 6.79%               | 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.

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 1,725 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, 2014, 2013, and 2012 this supplemental funding payment to PERSI was \$1,482,337, \$1,394,954, and \$1,332,203, respectively. This amount is not included in the regular University PERSI Base Plan contribution discussed previously.



## BOISE STATE UNIVERSITY

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

| ORP:                         | 2014          | 2013          | 2012          |
|------------------------------|---------------|---------------|---------------|
| University contribution      | \$ 9,245,096  | \$ 8,723,150  | \$ 8,285,481  |
| Employee contribution        | 6,960,321     | 6,556,516     | 6,231,143     |
| Total contribution           | \$ 16,205,417 | \$ 15,279,666 | \$ 14,516,624 |
| 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 140 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 107 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 328 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 49 employees contribute to this plan.



## BOISE STATE UNIVERSITY

### ***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 respective 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 2014:

| Supplemental Contributions: | 401(k)-PCP | 403(b)       | 457(b)     | Roth 403(b) | Supplemental 403(b) | Supplemental 401(a) | 415(m)     |
|-----------------------------|------------|--------------|------------|-------------|---------------------|---------------------|------------|
| Employee contribution       | \$ 349,324 | \$ 2,261,353 | \$ 889,157 | \$ 244,703  | \$ 26,349           | N/A                 | N/A        |
| University contribution     | N/A        | N/A          | N/A        | N/A         | \$ 36,433           | \$ 9,588            | \$ 222,912 |

***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, 2014, 2013, and 2012 were \$833,227, \$801,197, and \$752,896, respectively.



## BOISE STATE UNIVERSITY

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### 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](http://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 \$14.04 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



## BOISE STATE UNIVERSITY

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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 \$8.48 per active employee per month in fiscal year 2014.

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 income 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 2014. 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 State is self-insured for employees who became disabled prior to July 1, 2012; the State pays 100 percent of the premiums; the contribution is actuarially determined based on actual claims experience.





## BOISE STATE UNIVERSITY

Employees disabled on or after July 1, 2012, are insured by Principal Life Insurance Company, and the obligation for the payment of basic life and dependent life coverage benefits has been effectively transferred. The University pays 100 percent of the premiums. This portion of the basic life insurance and dependent life coverage is not included in the actuarial estimate as this is considered an insured benefit.

**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.

**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 \$30,000, and OPEB liabilities of \$8,614,138, resulting in net OPEB obligation of \$8,584,138 as of June 30, 2014.

| 2014 Annual OPEB Cost and Net OPEB Obligation<br>(Dollars in Thousands) |                            |                           |                   |        |                                   |
|---|----------------------------|---------------------------|-------------------|--------|-----------------------------------|
|   | Retiree<br>Healthcare Plan | Long-Term Disability Plan |                   |        | Retiree Life<br>Insurance<br>Plan |
|   |                            | Healthcare                | Life<br>Insurance | Income |                                   |
| Annual OPEB cost  |                            |                           |                   |        |                                   |
| Annual required contribution  | \$ 250                     | \$ 127                    | \$ 174            | \$ 92  | \$ 1,151                          |
| Interest  | 123                        | 6                         | (3)               | -      | 166                               |
| Adjustment to ARC   | (232)                      | (12)                      | 5                 | 1      | (314)                             |
| Annual OPEB cost  | 141                        | 121                       | 176               | 93     | 1,003                             |
| Contributions made  | (212)                      | (169)                     | (132)             | (64)   | (156)                             |
| Increase (decrease) in net OPEB obligation                              | (71)                       | (48)                      | 44                | 29     | 847                               |
| Net OPEB obligation – beginning of year                                 | 3,046                      | 161                       | (74)              | 3      | 4,647                             |
| Net OPEB obligation (funding excess) – end of year                      | \$ 2,975                   | \$ 113                    | \$ (30)           | \$ 32  | \$ 5,494                          |
| Percentage of AOC contributed   | 150.35%                    | 139.67%                   | 75.00%            | 68.82% | 15.55%                            |



## BOISE STATE UNIVERSITY

**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<br>(Dollars in Thousands) |      |                               |                           |                   |         |                                   |  |
|---|------|-------------------------------|---------------------------|-------------------|---------|-----------------------------------|--|
|   |      | Retiree<br>Healthcare<br>Plan | Long-Term Disability Plan |                   |         | Retiree Life<br>Insurance<br>Plan |  |
|   |      |                               | Healthcare                | Life<br>Insurance | Income  |                                   |  |
| Annual OPEB cost  | 2012 | \$ 372                        | \$ 145                    | \$ 84             | \$ 91   | \$ 970                            |  |
|   | 2013 | \$ 166                        | \$ 118                    | \$ 182            | \$ 93   | \$ 1,074                          |  |
|   | 2014 | \$ 141                        | \$ 121                    | \$ 176            | \$ 93   | \$ 1,003                          |  |
| Percentage of AOC contributed   | 2012 | 94.35%                        | 91.03%                    | 111.90%           | 82.42%  | 15.98%                            |  |
|   | 2013 | 142.17%                       | 129.66%                   | 104.40%           | 74.19%  | 13.97%                            |  |
|   | 2014 | 150.35%                       | 139.67%                   | 75.00%            | 68.82%  | 15.55%                            |  |
| NOO (funding excess) – end of year  | 2012 | \$ 3,113                      | \$ 195                    | \$ (66)           | \$ (20) | \$ 3,726                          |  |
|   | 2013 | \$ 3,046                      | \$ 161                    | \$ (74)           | \$ 3    | \$ 4,647                          |  |
|   | 2014 | \$ 2,975                      | \$ 113                    | \$ (30)           | \$ 32   | \$ 5,494                          |  |

**Funded Status and Funding Progress** - The following table illustrates the funded status and the funding progress for the University as of June 30, 2014:

| Funded Status and Funding Progress<br>(Dollars in Thousands) |                                |  |                                   |  |                                      |                                  |  |
|--|--------------------------------|--|-----------------------------------|--|--------------------------------------|----------------------------------|--|
|  | Actuarial<br>Valuation<br>Date | (1)<br>Actuarial<br>Value of<br>Assets | (2)<br>Accrued<br>Liability (AAL) | (3)<br>Unfunded<br>AAL (UAAL)<br>(2) - (1) | (4)<br>Funded<br>Ratios<br>(1) : (2) | (5)<br>Annual Covered<br>Payroll | (6)<br>UAAL as a<br>Percentage of<br>Covered<br>Payroll<br>(3) : (5) |
| Retiree healthcare plan                                      | 07/01/12                       | \$0                                    | \$ 1,793                          | \$ 1,793                                   | 0.00%                                | \$ 152,419                       | 1.2%   |
| Long-term disability plan:                                   |                                |  |                                   |  |                                      |                                  |  |
| Healthcare   | 07/01/12                       | \$0                                    | \$ 816                            | \$ 816                                     | 0.00%                                | \$ 152,419                       | 0.5%   |
| Life insurance   | 07/01/12                       | \$0                                    | \$ 637                            | \$ 637                                     | 0.00%                                | \$ 152,419                       | 0.4%   |
| Income   | 07/01/12                       | \$0                                    | \$ 414                            | \$ 414                                     | 0.00%                                | \$ 152,419                       | 0.3%   |
| Retiree life insurance plan                                  | 07/01/12                       | \$0                                    | \$ 13,994                         | \$ 13,994                                  | 0.00%                                | \$ 152,419                       | 9.2%   |



## BOISE STATE UNIVERSITY

**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             | Long-Term Disability Plan      |                          |                          | Retiree Life                   |
|----------------------------|--------------------------------|--------------------------------|--------------------------|--------------------------|--------------------------------|
|                            | Plan                           | Healthcare                     | Life Insurance           | Income                   | Insurance Plan                 |
| Actuarial cost method      | Projected Unit<br>Credit       | Projected Unit<br>Credit       | Projected Unit<br>Credit | Projected Unit<br>Credit | Projected Unit<br>Credit       |
| Amortization method        | Level Percentage<br>of Payroll | Level Percentage<br>of Payroll | Level Dollar<br>Amount   | Level Dollar<br>Amount   | Level Percentage<br>of Payroll |
| Amortization period        | 13 years<br>Closed             | 30 years<br>Open               | 4 years<br>Closed        | 5 years<br>Closed        | 30 years<br>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                 | 8.40%                          | 8.40%                          | N/A                      | N/A                      | N/A                            |
| Healthcare cost ultimate   |                                |                                |                          |                          |                                |
| Trend rate                 | 5.00%                          | 5.00%                          | N/A                      | N/A                      | N/A                            |



## BOISE STATE UNIVERSITY

### Required Supplementary Information

#### Other Postemployment Benefits – Schedule of Funding Progress:

| Schedule of Funding Progress - Required Supplementary Information:<br>(Dollars in Thousands) |                                |  |                                   |  |                                      |                                     |  |
|--|--------------------------------|--|-----------------------------------|--|--------------------------------------|-------------------------------------|--|
|  | Actuarial<br>Valuation<br>Date | (1)<br>Actuarial<br>Value of<br>Assets | (2)<br>Accrued<br>Liability (AAL) | (3)<br>Unfunded<br>AAL (UAAL)<br>(2) - (1) | (4)<br>Funded<br>Ratios<br>(1) : (2) | (5)<br>Annual<br>Covered<br>Payroll | (6)<br>UAAL as a<br>Percentage of<br>Covered<br>Payroll<br>(3) : (5) |
| Retiree healthcare plan  | 7/1/2008                       | \$0                                    | \$ 2,718                          | \$ 2,718                                   | 0.00%                                | \$ 139,597                          | 1.9%   |
|  | 7/1/2010                       | \$0                                    | \$ 1,877                          | \$ 1,877                                   | 0.00%                                | \$ 146,216                          | 1.3%   |
|  | 7/1/2012                       | \$0                                    | \$ 1,793                          | \$ 1,793                                   | 0.00%                                | \$ 152,419                          | 1.2%   |
| Long-term disability plan:   |                                |  |                                   |  |                                      |                                     |  |
| Life Insurance   | 7/1/2008                       | \$0                                    | \$ 1,012                          | \$ 1,012                                   | 0.00%                                | \$ 139,597                          | 0.7%   |
|  | 7/1/2010                       | \$0                                    | \$ 806                            | \$ 806                                     | 0.00%                                | \$ 146,216                          | 0.6%   |
|  | 7/1/2012                       | \$0                                    | \$ 816                            | \$ 816                                     | 0.00%                                | \$ 152,419                          | 0.5%   |
| Healthcare   | 7/1/2008                       | \$0                                    | \$ 970                            | \$ 970                                     | 0.00%                                | \$ 139,597                          | 0.7%   |
|  | 7/1/2010                       | \$0                                    | \$ 853                            | \$ 853                                     | 0.00%                                | \$ 146,216                          | 0.6%   |
|  | 7/1/2012                       | \$0                                    | \$ 637                            | \$ 637                                     | 0.00%                                | \$ 152,419                          | 0.4%   |
| Income   | 7/1/2008                       | \$0                                    | \$ 542                            | \$ 542                                     | 0.00%                                | \$ 139,597                          | 0.4%   |
|  | 7/1/2010                       | \$0                                    | \$ 485                            | \$ 485                                     | 0.00%                                | \$ 146,216                          | 0.3%   |
|  | 7/1/2012                       | \$0                                    | \$ 414                            | \$ 414                                     | 0.00%                                | \$ 152,419                          | 0.3%   |
| Retiree life insurance plan  | 7/1/2008                       | \$0                                    | \$ 12,954                         | \$ 12,954                                  | 0.00%                                | \$ 139,597                          | 9.3%   |
|  | 7/1/2010                       | \$0                                    | \$ 14,511                         | \$ 14,511                                  | 0.00%                                | \$ 146,216                          | 9.9%   |
|  | 7/1/2012                       | \$0                                    | \$ 13,994                         | \$ 13,994                                  | 0.00%                                | \$ 152,419                          | 9.2%   |

#### Schedule of Employer Contributions:

| Schedule of Employer Contributions - Required Supplementary Information:<br>(Dollars in Thousands) |                      |   |                         |   |
|--|----------------------|---|-------------------------|---|
| OPEB Plan  | Fiscal Year<br>Ended | Annual<br>Required<br>Contribution<br>(ARC) | Actual<br>Contributions | Actual<br>Contributions as<br>Percentage of ARC |
| Life insurance   | 06/30/14             | \$1,151                                     | \$156                   | 14%   |
|  | 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%   |



## BOISE STATE UNIVERSITY

### 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.



*Venture College office,  
Colliers building Capitol Blvd*



### 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 investment revenues and gains 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 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. Unrestricted board-designated net assets consist of net assets designated by the Board of Directors for operating reserves and quasi-endowment.

#### **(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



## BOISE STATE UNIVERSITY

for investment purposes. Cash deposits at times during the years ended June 30, 2014 and 2013, 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 gains and losses are 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.

**Custodial Credit Risk** - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Foundation may not be able to recover its deposits or may not be able to recover collateral securities that are in the 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 the 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 | 2014         | 2013         |
|--|--------------|--------------|
| Uninsured and uncollateralized               | \$ 4,869,771 | \$ 3,558,176 |

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.

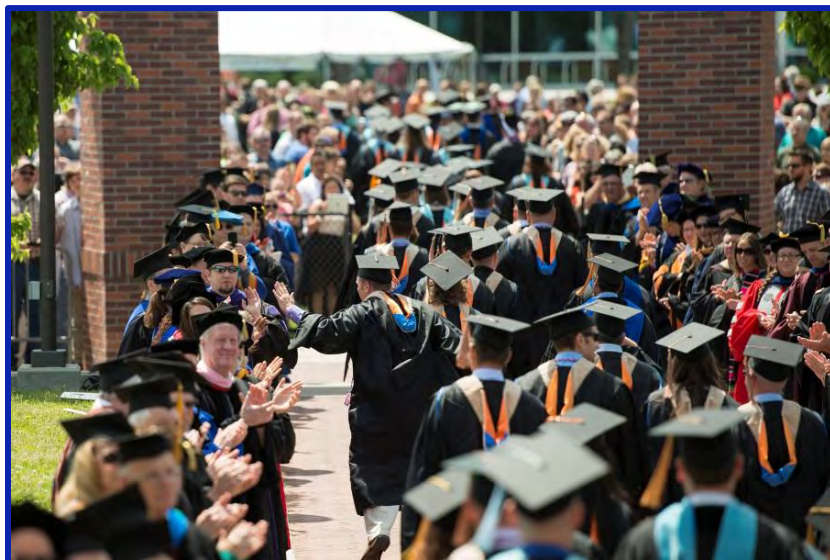




## BOISE STATE UNIVERSITY

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

| Investment Type                  | 2014                  | 2013                  | Percent of Total |
|----------------------------------|-----------------------|-----------------------|------------------|
| Certificates of deposit          | \$ -                  | \$ 986,013            | 0%               |
| US treasury bonds                | 4,925,212             | 6,314,194             | 4%               |
| Corporate bonds                  | 25,749,837            | 23,578,318            | 20%              |
| Bond mutual funds                | 26,870,384            | 22,863,800            | 21%              |
| Equity funds                     | 27,477,098            | 26,550,452            | 22%              |
| International equity funds       | 34,633,726            | 28,058,857            | 27%              |
| Private equity investments       | 3,028,972             | 2,898,024             | 3%               |
| Real estate and specialty assets | 2,685,667             | 2,432,550             | 2%               |
| Hedge funds                      | 1,209,330             | 1,714,625             | 1%               |
| Insurance annuities              | 368,959               | 332,129               | 0%               |
| <b>Total investments</b>         | <b>\$ 126,949,185</b> | <b>\$ 115,728,962</b> | <b>100%</b>      |





## BOISE STATE UNIVERSITY

**Fair Value of Investments** - measured on a recurring basis as of June 30, 2014 and 2013 are as follows:

| Fair Value of Investments                    | 2014                  | 2013                  |
|--|-----------------------|-----------------------|
| <b>Investments:</b>                          |                       |                       |
| <b>Growth investments</b>                    |                       |                       |
| US equities                                  | \$ 27,718,414         | \$ 26,761,016         |
| International equities                       | 34,633,726            | 28,058,858            |
| Private equity/special situations            | 3,028,972             | 2,898,024             |
| <b>Risk reduction investments:</b>           |                       |                       |
| Cash and certificates of deposit             | 6,499,657             | 6,241,226             |
| US/Global fixed income                       | 57,673,076            | 52,877,877            |
| Hedge funds                                  | 1,209,330             | 1,714,625             |
| Real estate                                  | 2,685,667             | 2,432,550             |
| <b>Investments total</b>                     | <b>133,448,842</b>    | <b>120,984,176</b>    |
| <b>Investments in perpetual trusts:</b>      |                       |                       |
| <b>Growth investments</b>                    |                       |                       |
| US equities                                  | 1,029,858             | 994,063               |
| International equities                       | 618,209               | 485,864               |
| <b>Risk reduction investments:</b>           |                       |                       |
| Cash and certificates of deposit             | 47,172                | 95,583                |
| US/Global fixed income                       | 696,813               | 628,819               |
| Hedge funds                                  | 263,615               | 277,943               |
| Real estate                                  | 315,286               | 309,074               |
| <b>Investments in perpetual trusts total</b> | <b>2,970,953</b>      | <b>2,791,346</b>      |
| <b>Total investments, at fair value</b>      | <b>\$ 136,419,795</b> | <b>\$ 123,775,522</b> |

**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 Foundation has 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.



## BOISE STATE UNIVERSITY

The ratings presented below use the Moody's scale for balances as of June 30, 2014.

| Moody's Scale<br>Rating | US Treasury<br>Bonds | Corporate<br>Bonds   | Bond Mutual<br>Funds | Fair Value           |
|-------------------------|----------------------|----------------------|----------------------|----------------------|
| Aaa                     | \$ 4,925,212         | \$ 1,136,222         | \$ 5,145,079         | \$ 11,206,513        |
| Aa1                     | -                    | 1,544,449            | -                    | 1,544,449            |
| Aa2                     | -                    | 1,611,708            | 12,022,596           | 13,634,304           |
| Aa3                     | -                    | 1,932,246            | -                    | 1,932,246            |
| A1                      | -                    | 3,818,669            | 5,886                | 3,824,555            |
| A2                      | -                    | 4,057,527            | 1,973,284            | 6,030,811            |
| A3                      | -                    | 3,492,609            | 3,684,984            | 7,177,593            |
| Baa1                    | -                    | 3,752,307            | -                    | 3,752,307            |
| Baa2                    | -                    | 3,704,485            | 2,018,792            | 5,723,277            |
| Ba2                     | -                    | -                    | 45,649               | 45,649               |
| B2                      | -                    | -                    | 1,974,114            | 1,974,114            |
| Unrated                 | -                    | 699,615              | -                    | 699,615              |
| <b>Total</b>            | <b>\$ 4,925,212</b>  | <b>\$ 25,749,837</b> | <b>\$ 26,870,384</b> | <b>\$ 57,545,433</b> |

**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             | \$ 4,925,212         | \$ -                | \$ 1,042,949         | \$ 3,882,263         | \$ -             |
| Corporate bonds               | 25,749,837           | 8,196,190           | 5,569,956            | 11,983,691           | -                |
| Bond mutual funds             | 26,870,384           | -                   | 5,629,292            | 21,141,248           | 99,844           |
| <b>Total rated securities</b> | <b>\$ 57,545,433</b> | <b>\$ 8,196,190</b> | <b>\$ 12,242,197</b> | <b>\$ 37,007,202</b> | <b>\$ 99,844</b> |

### (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, 2014 and 2013, the allowance was \$972,799 and \$972,799, 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 .30% to 3.62% as of June 30, 2014 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, 2014 and 2013:

| <b>Pledges Receivable</b>          | <b>2014</b>                | <b>2013</b>                 |
|------------------------------------|----------------------------|-----------------------------|
| Receivable in less than one year   | \$ 4,635,971               | \$ 8,893,099                |
| Receivable in one to five years    | 5,843,444                  | 5,935,173                   |
| Receivable in more than five years | 326,934                    | 275,077                     |
|                                    | <u>10,806,349</u>          | <u>15,103,349</u>           |
| Less allowance                     | (972,799)                  | (972,799)                   |
| Less discount                      | <u>(751,348)</u>           | <u>(804,373)</u>            |
| <b>Total</b>                       | <b><u>\$ 9,082,202</u></b> | <b><u>\$ 13,326,177</u></b> |

As of June 30, 2014 and 2013 the Foundation has one conditional gift of \$687,422 and \$713,324, 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:

| <b>Donated materials and services</b> | <b>2014</b>      | <b>2013</b>      |
|---------------------------------------|------------------|------------------|
| Office space                          | \$ 14,680        | \$ 12,183        |
| Other in-kind gifts                   | -                | 16,533           |
|                                       | <u>\$ 14,680</u> | <u>\$ 28,716</u> |



**BOISE STATE UNIVERSITY**

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

| Functional Categories           | 2014              |                              |                              |                  |                   |
|---------------------------------|-------------------|------------------------------|------------------------------|------------------|-------------------|
|                                 | Personnel Cost    | Services, Supplies and Other | Scholarships and Fellowships | Depreciation     | Total             |
| Instruction                     | \$ 88,974         | \$ 11,189                    | \$ 3,257                     | \$ -             | \$ 103,420        |
| Research                        | 11,958            | 7,466                        | 742                          | -                | 20,166            |
| Public service                  | 8,691             | 5,115                        | 474                          | -                | 14,280            |
| Libraries                       | 3,806             | 1,759                        | -                            | -                | 5,565             |
| Student services                | 12,556            | 2,384                        | 39                           | -                | 14,979            |
| Plant operations                | 7,950             | 13,043                       | -                            | -                | 20,993            |
| Institutional support           | 18,411            | 5,841                        | 12                           | -                | 24,264            |
| Academic support                | 16,310            | 3,443                        | 210                          | -                | 19,963            |
| Auxiliary enterprises           | 28,297            | 35,480                       | 2,519                        | -                | 66,296            |
| Scholarships                    | 1,000             | 78                           | 14,237                       | -                | 15,315            |
| Depreciation                    | -                 | -                            | -                            | 25,037           | 25,037            |
| <b>Total operating expenses</b> | <b>\$ 197,953</b> | <b>\$ 85,798</b>             | <b>\$ 21,490</b>             | <b>\$ 25,037</b> | <b>\$ 330,278</b> |

| 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                | 7,722             | 11,813                       | -                            | -                | 19,535            |
| Institutional support           | 15,253            | 5,445                        | 7                            | -                | 20,705            |
| 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            |
| <b>Total operating expenses</b> | <b>\$ 188,137</b> | <b>\$ 84,784</b>             | <b>\$ 23,430</b>             | <b>\$ 23,020</b> | <b>\$ 319,371</b> |



## BOISE STATE UNIVERSITY

### 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, 2014. 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 the financial statements of Boise State University (University) and Boise State University Foundation, Inc. (Foundation), its discretely presented component unit, as of and for the year ended June 30, 2014, 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 26, 2014. 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. Our report includes reference to other auditors who 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.

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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 results 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 "Moss Adams LLP".

Eugene, Oregon  
September 26, 2014

**REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL  
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB  
CIRCULAR A-133**

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, 2014. 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.

***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, 2014.



## 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 of compliance, 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.

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, material weaknesses may exist that have not been identified.

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 black ink that reads "Moss Adams LLP".

Eugene, Oregon  
September 26, 2014

**BOISE STATE UNIVERSITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2014**

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**Section I - Summary of Auditor's Results**

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*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 and Development Cluster                    | Unmodified                             |
| Various             | Student Financial Assistance Cluster                | Unmodified                             |
| 84.027              | Special Education – Grants to States (IDEA, Part B) | Unmodified                             |

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

\$ 751,669

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

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**Section II - Financial Statement Findings**

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None reported

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**Section III - Federal Award Findings and Questioned Costs**

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None reported



## BOISE STATE UNIVERSITY

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### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2014

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#### **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

*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.

*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.

*View of Officials on Current Status* – Fully corrected. The University has corrected the status of all students that were not reported to NSLDS. Controls have been implemented to ensure the accuracy of the data submitted to the Clearinghouse.

Boise State Registrar's Office has created a defensive query that is run as part of our enrollment reporting process. This new query verifies the data that is in our consolidated statistics report and is run prior to transmitting the enrollment statistics to the Clearinghouse.

#### **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

*Condition* – During our testing of reporting we noted that BSU did not report the sub-award in the Federal Accountability and Transparency Sub-award Reporting System.

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

*View of Officials on Current Status* – Fully corrected. The University has reported all sub-awards in the Federal Accountability and Transparency Sub-award Reporting System. Procedures are in place to ensure all required reports are being completed and submitted timely. The University has developed 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 will continue reporting for all required reports on an ongoing basis.



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                         | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|---|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF AGRICULTURE:                       |                           |     |                          |                              |                       |
| Direct Programs:                                      |                           |     |                          |                              |                       |
| Mycorrhizal Diversity                                 | 10.310                    | (2) | \$ 1,375                 | \$ -                         | \$ 1,375              |
| Bioenergy and soil C storage                          | 10.310                    | (2) | 106,270                  | -                            | 106,270               |
| GHG mitigation of AD systems                          | 10.310                    | (2) | 264,807                  | -                            | 264,807               |
| Novel Vaccines to Prevent Bovi                        | 10.310                    | (2) | 41,854                   | -                            | 41,854                |
| RBEG Implementation Program                           | 10.769                    |     | -                        | 9,412                        | 9,412                 |
| RISE: Rural Idaho Saves Energy                        | 10.868                    |     | -                        | 41,837                       | 41,837                |
| Develop Operational Snow Melt                         | 10.907                    | (2) | 14,013                   | -                            | 14,013                |
| Northern Idaho Point Counts                           | 10.NA                     | (2) | 55,596                   | -                            | 55,596                |
| Hummingbird Migration                                 | 10.NA                     | (2) | 4,898                    | -                            | 4,898                 |
| Woodpecker Management                                 | 10.NA                     | (2) | 2,259                    | -                            | 2,259                 |
| Black-Backed Woodpecker in BNF                        | 10.NA                     | (2) | 10,917                   | -                            | 10,917                |
| Northern Goshawk Surveys                              | 10.NA                     | (2) | 1,803                    | -                            | 1,803                 |
| Woodpecker Mgmt Indicator Spec                        | 10.NA                     | (2) | 8,767                    | -                            | 8,767                 |
| IBO Point Count Surveys in N I                        | 10.NA                     | (2) | 14,198                   | -                            | 14,198                |
| Black-backed Woodpeckers in Bo                        | 10.NA                     | (2) | 6,059                    | -                            | 6,059                 |
| Impacts of Fuel Reduction Tre                         | 10.NA                     | (2) | 3,582                    | -                            | 3,582                 |
| Hummingbird Migration Monitor                         | 10.NA                     | (2) | 1,094                    | -                            | 1,094                 |
| Danskin Project                                       | 10.XXX                    |     | -                        | 5,156                        | 5,156                 |
| Mycorrhizal Fungi                                     | 10.XXX                    | (2) | 1,922                    | -                            | 1,922                 |
| Test Excav at BS-9/10-VY-102                          | 10.XXX                    |     | -                        | 943                          | 943                   |
| Cooperative Archaeological Act                        | 10.XXX                    |     | -                        | 3,648                        | 3,648                 |
| Caribou-Targhee NF Woodpecker                         | 10.XXX                    | (2) | 4,516                    | -                            | 4,516                 |
| IBO Northern Goshawk Surveys S                        | 10.XXX                    | (2) | 4,239                    | -                            | 4,239                 |
| CTNF Woodpecker Surveys                               | 15.NA                     | (2) | 12,012                   | -                            | 12,012                |
| Pass Through Payments:                                |                           |     |                          |                              |                       |
| Child Nutrition Project                               | 10.560                    |     | -                        | 96,010                       | 96,010                |
| Child and Adult Care Food Program (Children's Center) | 10.558                    |     | -                        | 39,073                       | 39,073                |
| Grapes Cold Tolerance                                 | 10.NA                     | (2) | 286                      | -                            | 286                   |
| Total U.S. Department of Agriculture                  |                           |     | \$ 560,467               | \$ 196,079                   | \$ 756,546            |
| U.S. DEPARTMENT OF COMMERCE:                          |                           |     |                          |                              |                       |
| Direct Programs:                                      |                           |     |                          |                              |                       |
| FY13 EDA University Center                            | 11.302                    |     | \$ -                     | \$ 15,378                    | \$ 15,378             |
| TechHelp 1B41D  | 11.302                    |     | -                        | 94,715                       | 94,715                |
| Spacio Variability of Snow                            | 11.462                    | (2) | 3,173                    | -                            | 3,173                 |
| NIST SURF Program FY14                                | 11.609                    | (2) | 33,940                   | -                            | 33,940                |
| Idaho TechHelp NIST MEP FY13                          | 11.611                    |     | -                        | (19,273)                     | (19,273)              |
| Idaho TechHelp NIST MEP                               | 11.611                    |     | -                        | 566,860                      | 566,860               |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title            | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF COMMERCE (continued): |                           |     |                          |                              |                       |
| Pass Through Payments:                   |                           |     |                          |                              |                       |
| Pacific NW Climate Decision              | 11.431                    | (2) | \$ 29,633                | \$ -                         | \$ 29,633             |
| BCAL Virtual Watersheds                  | 11.468                    | (2) | 15,584                   | -                            | 15,584                |
| Total U.S. Department of Commerce        |                           |     | <u>\$ 82,330</u>         | <u>\$ 657,680</u>            | <u>\$ 740,010</u>     |
| U.S. DEPARTMENT OF DEFENSE:              |                           |     |                          |                              |                       |
| Direct Programs:                         |                           |     |                          |                              |                       |
| A West Nile Virus Vaccine-JT             | 12.420                    | (2) | \$ (114)                 | \$ -                         | \$ (114)              |
| PTHrP and Mesenchymal Wnt                | 12.420                    | (2) | 15,012                   | -                            | 15,012                |
| Hydrologic Fluxes and States             | 12.431                    | (2) | 29,723                   | -                            | 29,723                |
| Combining Remotely Sensed Vege           | 12.431                    | (2) | 27,763                   | -                            | 27,763                |
| Reconfigurable Electronics               | 12.910                    | (2) | 36,757                   | -                            | 36,757                |
| Reconfigurable Electronics-2             | 12.910                    | (2) | 40,411                   | -                            | 40,411                |
| Dugway Proving Ground                    | 12.NA                     | (2) | 47,776                   | -                            | 47,776                |
| Dugway Proving Ground-2                  | 12.NA                     | (2) | 234,154                  | -                            | 234,154               |
| Pass Through Payments:                   |                           |     |                          |                              |                       |
| 2010 OTA ICRMP                           | 12.XXX                    |     | -                        | (3,328)                      | (3,328)               |
| MIT DTRA                                 | 12.351                    | (2) | 88,920                   | -                            | 88,920                |
| Radiation Effects                        | 12.351                    | (2) | 165,943                  | -                            | 165,943               |
| AFOSR RSE Project                        | 12.XXX                    | (2) | (49)                     | -                            | (49)                  |
| Anodic Polarization Phase2               | 12.XXX                    | (2) | 1,050                    | -                            | 1,050                 |
| Fabrication Memristive Devices           | 12.XXX                    | (2) | 146,220                  | -                            | 146,220               |
| Anodic Polarization Summer2013           | 12.XXX                    | (2) | 4,952                    | -                            | 4,952                 |
| Memristor Design and Test                | 12.XXX                    | (2) | 8,656                    | -                            | 8,656                 |
| Memristor Design & Test Part 2           | 12.XXX                    | (2) | 12,529                   | -                            | 12,529                |
| Total U.S. Department of Defense         |                           |     | <u>\$ 859,703</u>        | <u>\$ (3,328)</u>            | <u>\$ 856,375</u>     |
| U.S. DEPARTMENT OF THE INTERIOR:         |                           |     |                          |                              |                       |
| Direct Programs:                         |                           |     |                          |                              |                       |
| Fire & Erosion in Western Rang           | 15.231                    | (2) | \$ 1,790                 | \$ -                         | \$ 1,790              |
| Fire & Erosion W Range Benner            | 15.231                    | (2) | 9,256                    | -                            | 9,256                 |
| Lichen Curation                          | 15.231                    |     | -                        | 1,348                        | 1,348                 |
| Impacts of fuel reduction trea           | 15.231                    | (2) | 350                      | -                            | 350                   |
| Idaho Long-billed Curlew Breed           | 15.231                    | (2) | 9,248                    | -                            | 9,248                 |
| Pygmy Rabbit Diet Quality                | 15.238                    | (2) | 10,462                   | -                            | 10,462                |
| Genetic Analysis of Medusahead           | 15.238                    | (2) | 6,025                    | -                            | 6,025                 |
| OHV Trails and Eagle Behavior            | 15.238                    | (2) | 23,785                   | -                            | 23,785                |

(continued)





# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF THE INTERIOR (continued): |                           |     |                          |                              |                       |
| Direct Programs (continued):                 |                           |     |                          |                              |                       |
| USFWS Birds of Concern                       | 15.635                    | (2) | \$ 9,101                 | \$ -                         | \$ 9,101              |
| Burrowing Owls, Fleas & Plague               | 15.655                    | (2) | 7,189                    | -                            | 7,189                 |
| Eagles and OHVs                              | 15.655                    | (2) | 3,769                    | -                            | 3,769                 |
| Eagle Diets in the NCA                       | 15.655                    | (2) | 21,800                   | -                            | 21,800                |
| Bird Partnership Coordinator                 | 15.657                    | (2) | 9,652                    | -                            | 9,652                 |
| Harvester Ant Monitoring-YR4                 | 15.657                    | (2) | 7,517                    | -                            | 7,517                 |
| Astragalus Cusickii                          | 15.657                    | (2) | 10,951                   | -                            | 10,951                |
| Harvester Ant Monitoring-Yr 5                | 15.657                    | (2) | 18,676                   | -                            | 18,676                |
| Near Surface Expression Alaska               | 15.807                    | (2) | (310)                    | -                            | (310)                 |
| Alaska Legacy Seismic                        | 15.807                    | (2) | 15                       | -                            | 15                    |
| Near Surface Expression Mega                 | 15.807                    | (2) | 34,225                   | -                            | 34,225                |
| Land Streamer Technologies                   | 15.807                    | (2) | 64,330                   | -                            | 64,330                |
| Raptor Research Building                     | 15.808                    |     | -                        | 244,535                      | 244,535               |
| Wintering Raptors in the SR                  | 15.808                    | (2) | (12)                     | -                            | (12)                  |
| Protected Area Analysis                      | 15.808                    | (2) | 115,903                  | -                            | 115,903               |
| Cooperative Ecosystem Studies                | 15.808                    | (2) | 173,392                  | -                            | 173,392               |
| Noise and Foraging Behavior                  | 15.945                    | (2) | 82,614                   | -                            | 82,614                |
| Rmt Snsgr & Sptl Pat of Fuels                | 15.ADV                    | (2) | 9,830                    | -                            | 9,830                 |
| Phantom Gas Fields: Effect of                | 15.NA                     | (2) | 29,697                   | -                            | 29,697                |
| Analysis of Arbuscular Mycorrh               | 15.NA                     | (2) | 1,744                    | -                            | 1,744                 |
| Alaska Holocene Deformation                  | 15.XXX                    | (2) | (324)                    | -                            | (324)                 |
| Harvester Ant Monitoring-YR3                 | 15.XXX                    | (2) | 432                      | -                            | 432                   |
| Kenai Legacy Seismic                         | 15.XXX                    | (2) | 14,025                   | -                            | 14,025                |
| Bird Surveys for Minidoka NWR                | 15.XXX                    | (2) | 13,677                   | -                            | 13,677                |
| Avian Ed Field Trips-Lucky Pea               | 15.XXX                    | (2) | 451                      | -                            | 451                   |
| Support for Idaho Bird Conserv               | 15.XXX                    | (2) | 1,770                    | -                            | 1,770                 |
| Montague Island Asperity                     | 15.XXX                    | (2) | 12,602                   | -                            | 12,602                |
| Pass Through Payments:                       |                           |     |                          |                              |                       |
| IBO/IDFG Bird Greatest Conserv               | 15.634                    | (2) | (1,196)                  | -                            | (1,196)               |
| Grid-based Bird Monitoring                   | 15.637                    | (2) | 17,086                   | -                            | 17,086                |
| Grid-based Bird Monitoring                   | 15.637                    | (2) | 5,504                    | -                            | 5,504                 |
| Constructing a Local Meteoric                | 15.805                    | (2) | 313                      | -                            | 313                   |
| Boise River Watershed Quality                | 15.805                    | (2) | 4,557                    | -                            | 4,557                 |
| Boise River Ecosystem                        | 15.805                    | (2) | 63                       | -                            | 63                    |
| Minidoka Guard Tower Reconstru               | 15.933                    |     | -                        | 28,777                       | 28,777                |
| Assessing the Dietary Quality                | 15.NA                     | (2) | 37,548                   | -                            | 37,548                |
| Capacity Spprt for Idaho Bird                | 15.NA                     | (2) | 9,521                    | -                            | 9,521                 |
| Total U.S. Department of the Interior        |                           |     | \$ 777,028               | \$ 274,660                   | \$ 1,051,688          |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                  | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF JUSTICE:                    |                           |     |                          |                              |                       |
| Direct Programs:                               |                           |     |                          |                              |                       |
| Wrongful Convictions                           | 16.746                    |     | \$ -                     | \$ 67,972                    | \$ 67,972             |
| Pass Through Payments:                         |                           |     |                          |                              |                       |
| Enforce Underage Drinking Laws                 | 16.727                    |     | -                        | 20,946                       | 20,946                |
| Total U.S. Department of Justice               |                           |     | \$ -                     | \$ 88,918                    | \$ 88,918             |
| U.S. DEPARTMENT OF LABOR:                      |                           |     |                          |                              |                       |
| Direct Programs:                               |                           |     |                          |                              |                       |
| Occupational Safety and Health                 | 17.504                    |     | \$ -                     | \$ 107,777                   | \$ 107,777            |
| Occupational Safety and Health                 | 17.504                    |     | -                        | 363,314                      | 363,314               |
| OSHA - Administration                          | 17.504                    |     | -                        | 57,472                       | 57,472                |
| Total U.S. Department of Labor                 |                           |     | \$ -                     | \$ 528,563                   | \$ 528,563            |
| U.S. DEPARTMENT OF TRANSPORTATION:             |                           |     |                          |                              |                       |
| Direct Programs:                               |                           |     |                          |                              |                       |
| Sensors and Prognostics                        | 20.109                    | (2) | \$ 284,125               | \$ -                         | \$ 284,125            |
| Phase II:In-Flight Sensor Sys                  | 20.109                    | (2) | 107,474                  | -                            | 107,474               |
| Park-Ride Bus Storage Facility                 | 20.500                    |     | -                        | 12,754                       | 12,754                |
| Transit Center Remodel                         | 20.500                    |     | -                        | 10,456                       | 10,456                |
| Park-Ride Bus Storage 2                        | 20.507                    |     | -                        | 22,287                       | 22,287                |
| Total U.S. Department of Transportation        |                           |     | \$ 391,599               | \$ 45,497                    | \$ 437,096            |
| U.S. OFFICE OF PERSONNEL MANAGEMENT:           |                           |     |                          |                              |                       |
| Direct Programs:                               |                           |     |                          |                              |                       |
| IPA Agreement McIndoo FY13                     | 27.XXX                    | (2) | \$ 17,243                | \$ -                         | \$ 17,243             |
| IPA Agreement Bayer FY13                       | 27.XXX                    | (2) | 16,568                   | -                            | 16,568                |
| IPA Agreement McIndoo FY14                     | 27.XXX                    | (2) | 49,418                   | -                            | 49,418                |
| IPA Agreement Bayer FY14                       | 27.XXX                    | (2) | 35,125                   | -                            | 35,125                |
| Total U.S. Office of Personnel Management      |                           |     | \$ 118,354               | \$ -                         | \$ 118,354            |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION: |                           |     |                          |                              |                       |
| Direct Programs:                               |                           |     |                          |                              |                       |
| Snow Microstructure                            | 43.001                    | (2) | \$ 19,745                | \$ -                         | \$ 19,745             |
| Water Institutions and Ag Land                 | 43.001                    | (2) | 9,135                    | -                            | 9,135                 |
| Modeling Vegetation Structure                  | 43.001                    | (2) | 7,436                    | -                            | 7,436                 |
| Ground-Based Radar Calibration                 | 43.NA                     | (2) | 734                      | -                            | 734                   |
| Improv of Remotely SWE                         | 43.NA                     | (2) | 23,864                   | -                            | 23,864                |
| Wide, Mono-Pulse Gamma-Ray Bur                 | 43.NA                     | (2) | 9,158                    | -                            | 9,158                 |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                              | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (continued): |                           |     |                          |                              |                       |
| Pass Through Payments:                                     |                           |     |                          |                              |                       |
| Vegetation Water Content                                   | 43.001                    | (2) | \$ 12,795                | \$ -                         | \$ 12,795             |
| SMAP-JPL Visit   | 43.001                    | (2) | (6)                      | -                            | (6)                   |
| Effects of Microgravity on Car                             | 43.001                    | (2) | 5,233                    | -                            | 5,233                 |
| Dolan ISGC Fellowship FY13                                 | 43.001                    | (2) | (92)                     | -                            | (92)                  |
| Rogers FY13 Fellowship                                     | 43.001                    | (2) | (818)                    | -                            | (818)                 |
| Rowe FY13 Fellowship                                       | 43.001                    | (2) | (64)                     | -                            | (64)                  |
| Microgravity Special Proj 2013                             | 43.001                    | (2) | 21                       | -                            | 21                    |
| Microgravity 2013-Teacher Work                             | 43.001                    |     | -                        | 5,988                        | 5,988                 |
| Agricultural Land Use Decision                             | 43.001                    | (2) | 32,706                   | -                            | 32,706                |
| Rogers FY14 Fellowship                                     | 43.001                    | (2) | 14,909                   | -                            | 14,909                |
| Dolan ISGC Fellowship FY14                                 | 43.001                    | (2) | 13,992                   | -                            | 13,992                |
| Bumbarger FY14 Fellowship                                  | 43.008                    | (2) | 15,067                   | -                            | 15,067                |
| Umphrey FY14 Fellowship                                    | 43.008                    | (2) | 7,410                    | -                            | 7,410                 |
| Molecular Mechanisms of Inflam                             | 43.008                    | (2) | 2,821                    | -                            | 2,821                 |
| Water Institutions and Agricul                             | 43.ADV                    | (2) | 29,872                   | -                            | 29,872                |
| Elec-Prop Ceramic Materials                                | 43.NA                     | (2) | 33,526                   | -                            | 33,526                |
| Remote Sensing of Cryosphere                               | 43.NA                     | (2) | 204,191                  | -                            | 204,191               |
| Molecular Mechanisms of Cellul                             | 43.NA                     | (2) | 174,869                  | -                            | 174,869               |
| ISAS Summer Acad 2013                                      | 43.NA                     |     | -                        | 8,982                        | 8,982                 |
| Broadband Array Technology                                 | 43.XXX                    | (2) | 68,352                   | -                            | 68,352                |
| Microgravity University 2014                               | 43.XXX                    | (2) | 2,121                    | -                            | 2,121                 |
| Total National Aeronautics and Space Administration        |                           |     | \$ 686,977               | \$ 14,970                    | \$ 701,947            |
| NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES:        |                           |     |                          |                              |                       |
| Direct Programs:   |                           |     |                          |                              |                       |
| Arcadia Project  | 45.024                    |     | \$ -                     | \$ (1)                       | \$ (1)                |
| Justice Course   | 45.163                    |     | -                        | 3,269                        | 3,269                 |
| Pass Through Payments:                                     |                           |     |                          |                              |                       |
| Maria in the Shower Concert                                | 45.025                    |     | -                        | 1,000                        | 1,000                 |
| Culture of the Irrigated West                              | 45.129                    | (2) | 2,760                    | -                            | 2,760                 |
| The Idea of Nature   | 45.129                    |     | -                        | 2,089                        | 2,089                 |
| Documenting Chizigula                                      | 45.129                    | (2) | 1,572                    | -                            | 1,572                 |
| Mexico Week  | 45.129                    |     | -                        | 5,003                        | 5,003                 |
| James Castle Curriculum Proj                               | 45.NA                     |     | -                        | 2,110                        | 2,110                 |
| Total National Foundation on the Arts and the Humanities   |                           |     | \$ 4,332                 | \$ 13,470                    | \$ 17,802             |

(continued)



## BOISE STATE UNIVERSITY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title  | Federal<br>CFDA<br>Number |        | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--------------------------------|---------------------------|--------|--------------------------|------------------------------|-----------------------|
| NATIONAL SCIENCE FOUNDATION:   |                           |        |                          |                              |                       |
| Direct Programs:               |                           |        |                          |                              |                       |
| Plasmon Nanophotonics          | 47.041                    | (2) \$ | 56,828                   | \$ -                         | \$ 56,828             |
| A WATERS Testbed               | 47.041                    | (2)    | (235)                    | -                            | (235)                 |
| Air Spring EM Stimulation      | 47.041                    | (2)    | 34,739                   | -                            | 34,739                |
| Nanodevices on DNA Breadboards | 47.041                    | (2)    | 218,501                  | -                            | 218,501               |
| Adopting Education Innovation  | 47.041                    | (2)    | 717                      | -                            | 717                   |
| Eng Ed Research to Practice    | 47.041                    | (2)    | 13,271                   | -                            | 13,271                |
| Nanodevices on DNA Bread-Lee   | 47.041                    | (2)    | 13,229                   | -                            | 13,229                |
| CAREER: Wind Forecasting       | 47.041                    | (2)    | 71,125                   | -                            | 71,125                |
| Differential Cytotoxicity      | 47.041                    | (2)    | 168,460                  | -                            | 168,460               |
| MSMA Nanostructures            | 47.041                    | (2)    | 131,735                  | -                            | 131,735               |
| Synergistic Approach-Yang      | 47.041                    | (2)    | 38,874                   | -                            | 38,874                |
| Synergistic Approach-Senocak   | 47.041                    | (2)    | 24,447                   | -                            | 24,447                |
| I-Corps: Wind Forecasting Eng  | 47.041                    | (2)    | (5,659)                  | -                            | (5,659)               |
| Scalable NanoManufacturing-MSE | 47.041                    | (2)    | 33,156                   | -                            | 33,156                |
| Scalable NanoManufacturing-ECE | 47.041                    | (2)    | 20,428                   | -                            | 20,428                |
| CAREER:M Frary NSF             | 47.049                    | (2)    | 564                      | -                            | 564                   |
| NSF Lattice Dynamics           | 47.049                    | (2)    | (395)                    | -                            | (395)                 |
| Filtrations of Boolean Algebra | 47.049                    | (2)    | 731                      | -                            | 731                   |
| Nanoscale Physics              | 47.049                    | (2)    | 38,717                   | -                            | 38,717                |
| RBFs For Geophysical Modeling  | 47.049                    | (2)    | 24,156                   | -                            | 24,156                |
| Subsurface Imaging             | 47.049                    | (2)    | 1,150                    | -                            | 1,150                 |
| Hierarchical Microstructures   | 47.049                    | (2)    | 13,064                   | -                            | 13,064                |
| ATD: Data Driven Stochastic    | 47.049                    | (2)    | 31,765                   | -                            | 31,765                |
| Nanoscale Ferroelectrics       | 47.049                    | (2)    | 34,214                   | -                            | 34,214                |
| ATD: Data Driven Stochastic IS | 47.049                    | (2)    | 45,863                   | -                            | 45,863                |
| Point Defects in Perovskites   | 47.049                    | (2)    | 164,837                  | -                            | 164,837               |
| REU in Chemistry               | 47.049                    | (2)    | 16,507                   | -                            | 16,507                |
| REU Site: Complexity in Alg-PS | 47.049                    | (2)    | 49,097                   | -                            | 49,097                |
| REU Site: Complexity in Algebr | 47.049                    | (2)    | 18,656                   | -                            | 18,656                |
| REU in Chemistry-PS            | 47.049                    | (2)    | 50,159                   | -                            | 50,159                |
| Novel Phenomena in Oxide       | 47.049                    | (2)    | (1,275)                  | -                            | (1,275)               |
| Short Memory in Long Memory Ti | 47.049                    | (2)    | 48,009                   | -                            | 48,009                |
| MRI: Development COIFM with LM | 47.049                    | (2)    | 67,550                   | -                            | 67,550                |
| Int. Conf. FSMA 2013 Boise     | 47.049                    | (2)    | (12,711)                 | -                            | (12,711)              |
| MSMA-Fibers                    | 47.049                    | (2)    | 107,770                  | -                            | 107,770               |
| PNWNAS 2012                    | 47.049                    |        | -                        | (2,630)                      | (2,630)               |
| Viscoelastic Mixture Models    | 47.049                    | (2)    | 18,354                   | -                            | 18,354                |
| BEST Conference                | 47.049                    | (2)    | 2,638                    | -                            | 2,638                 |
| CAREER: Achieving Tunable Nano | 47.049                    | (2)    | 40,509                   | -                            | 40,509                |
| REU Energy & Sustainability    | 47.049                    | (2)    | 9,525                    | -                            | 9,525                 |
| REU Energy Sustainability PS   | 47.049                    | (2)    | 20,416                   | -                            | 20,416                |
| REU - CAD                      | 47.049                    | (2)    | 499                      | -                            | 499                   |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title            | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| NATIONAL SCIENCE FOUNDATION (continued): |                           |     |                          |                              |                       |
| Direct Programs (continued):             |                           |     |                          |                              |                       |
| REU - CAD Part Support                   | 47.049                    | (2) | \$ 28,820                | \$ -                         | \$ 28,820             |
| Boise Extravaganza in Set Theo           | 47.049                    | (2) | 6,675                    | -                            | 6,675                 |
| Atmospheric Dust as Archive              | 47.050                    | (2) | 48,258                   | -                            | 48,258                |
| Quantifying Lateral Flow                 | 47.050                    | (2) | 48,288                   | -                            | 48,288                |
| Potential GSSP of the GK Stage           | 47.050                    | (2) | (3,164)                  | -                            | (3,164)               |
| Virtual Geochronology Labs               | 47.050                    | (2) | 22,435                   | -                            | 22,435                |
| Himalayan Tectonic Models                | 47.050                    | (2) | 2,332                    | -                            | 2,332                 |
| Late Devonian Geochronology              | 47.050                    | (2) | 21,128                   | -                            | 21,128                |
| Interdisciplinary Flume-Feris            | 47.050                    | (2) | 51,539                   | -                            | 51,539                |
| Interdisciplinary Flume-Benner           | 47.050                    | (2) | 56,422                   | -                            | 56,422                |
| NSF Career: Jeff Johnson                 | 47.050                    | (2) | 122,888                  | -                            | 122,888               |
| Oscillatory Hydrology                    | 47.050                    | (2) | 91,385                   | -                            | 91,385                |
| NSF Career: Participants                 | 47.050                    | (2) | 3,446                    | -                            | 3,446                 |
| MRI: Laser Ultrasonic System             | 47.050                    | (2) | 213                      | -                            | 213                   |
| Volcano Geodesy & Seismology             | 47.050                    | (2) | 14,467                   | -                            | 14,467                |
| Calibrating Cryogenian - Yukon           | 47.050                    | (2) | 19,299                   | -                            | 19,299                |
| Calibration of Stable Isotope            | 47.050                    | (2) | 47,999                   | -                            | 47,999                |
| Making Point Clouds Useful for           | 47.050                    | (2) | 75,006                   | -                            | 75,006                |
| Metamorphic & Tectonic Evoluti           | 47.050                    | (2) | 67,220                   | -                            | 67,220                |
| MRI: Acquisition of Thermal              | 47.050                    | (2) | 744,036                  | -                            | 744,036               |
| CAREER: A Flores NSF                     | 47.050                    | (2) | 5,843                    | -                            | 5,843                 |
| Mobility Pyroclastic Dens Cmt            | 47.050                    | (2) | 256                      | -                            | 256                   |
| Phase Change Architectures               | 47.070                    | (2) | 27,538                   | -                            | 27,538                |
| NSF Neuromorphic Computing2013           | 47.070                    | (2) | 103,907                  | -                            | 103,907               |
| Access Ctrl/Obligation Testing           | 47.070                    | (2) | 17,025                   | -                            | 17,025                |
| CS10K: IDoCode                           | 47.070                    |     | -                        | 54,255                       | 54,255                |
| CS10K: IDoCode CIFS                      | 47.070                    |     | -                        | 2,409                        | 2,409                 |
| IDBR:RUI: Devemopment of COIFM           | 47.074                    | (2) | (604)                    | -                            | (604)                 |
| Revision of Columnea                     | 47.074                    | (2) | 34,039                   | -                            | 34,039                |
| Revision of Columnea-Supp                | 47.074                    | (2) | 3,543                    | -                            | 3,543                 |
| Bats vs. Hawkmoths                       | 47.074                    | (2) | 98,185                   | -                            | 98,185                |
| Complex Pattern Modeling-Habig           | 47.074                    | (2) | (211)                    | -                            | (211)                 |
| Complex Pattern Modeling-Ander           | 47.074                    | (2) | 10,883                   | -                            | 10,883                |
| Kestrels and climate change              | 47.074                    | (2) | 30,335                   | -                            | 30,335                |
| Habitat Use by Mammalian                 | 47.074                    | (2) | 74,638                   | -                            | 74,638                |
| Habitat Use by Mammalian - PS            | 47.074                    | (2) | 13,106                   | -                            | 13,106                |
| Kestrels and Clim. Change-REU            | 47.074                    | (2) | 4,193                    | -                            | 4,193                 |
| REU Site: Raptor Research                | 47.074                    | (2) | 20,247                   | -                            | 20,247                |
| REU Site: Raptor Res-Part Sup.           | 47.074                    | (2) | 26,756                   | -                            | 26,756                |
| Complex Pattern Modeling                 | 47.074                    | (2) | 87,249                   | -                            | 87,249                |
| Conservation in South America            | 47.075                    | (2) | 138,718                  | -                            | 138,718               |
| NSF RTOS                                 | 47.075                    | (2) | 65,979                   | -                            | 65,979                |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title            | Federal<br>CFDA<br>Number |        | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|--------|--------------------------|------------------------------|-----------------------|
| NATIONAL SCIENCE FOUNDATION (continued): |                           |        |                          |                              |                       |
| Direct Programs (continued):             |                           |        |                          |                              |                       |
| NSF Idaho Eng Scholarship Prog           | 47.076                    | (2) \$ | (271)                    | \$ -                         | \$ (271)              |
| New GK-12 Local Resources                | 47.076                    |        | -                        | 86,715                       | 86,715                |
| New GK-12 Participants                   | 47.076                    |        | -                        | 292,768                      | 292,768               |
| S-Stem #2 ID Engr Scholarship            | 47.076                    | (2)    | 1,839                    | -                            | 1,839                 |
| NSF Idaho Step                           | 47.076                    | (2)    | 163,994                  | -                            | 163,994               |
| NSF Idaho Step Part. Support             | 47.076                    | (2)    | 64,765                   | -                            | 64,765                |
| STEM Central STATION                     | 47.076                    | (2)    | 252,638                  | -                            | 252,638               |
| STEM Central STATION-Viskupic            | 47.076                    | (2)    | 8,569                    | -                            | 8,569                 |
| STEM Central STATION-Nadleson            | 47.076                    | (2)    | 11,085                   | -                            | 11,085                |
| New GK-12 Local Resources-Supp           | 47.076                    |        | -                        | -                            | -                     |
| Idaho Scholarships for Transfe           | 47.076                    |        | -                        | 10,641                       | 10,641                |
| Idaho Scholar for Transfers-PS           | 47.076                    |        | -                        | 139,500                      | 139,500               |
| WIDER:EAGER:CALIPER                      | 47.076                    | (2)    | 84,141                   | -                            | 84,141                |
| Noyce Phase II: Trajectory               | 47.076                    |        | -                        | 60,406                       | 60,406                |
| Noyce Participant Support                | 47.076                    |        | -                        | 20,628                       | 20,628                |
| PERSIST: Promoting Ed Reform             | 47.076                    | (2)    | 251,671                  | -                            | 251,671               |
| Home Hearth Household                    | 47.078                    | (2)    | (232)                    | -                            | (232)                 |
| MRI GPU Cluster                          | 47.080                    | (2)    | 314,013                  | -                            | 314,013               |
| S. Mooney NSF IPA                        | 47.NA                     |        | -                        | 164,334                      | 164,334               |
| Pass Through Payments:                   |                           |        |                          |                              |                       |
| IPS Liquefaction Mitigation              | 47.041                    | (2)    | 22,283                   | -                            | 22,283                |
| Formation Function Phys Gels             | 47.049                    | (2)    | (417)                    | -                            | (417)                 |
| Reynolds Creek Carbon (BIO)              | 47.050                    | (2)    | 14,793                   | -                            | 14,793                |
| Reynolds Creek Carbon (PSC)              | 47.050                    | (2)    | 3,000                    | -                            | 3,000                 |
| Reynolds Creek Carbon (GEO)              | 47.050                    | (2)    | 10,904                   | -                            | 10,904                |
| MRI Model Online Bank System             | 47.070                    | (2)    | 63,180                   | -                            | 63,180                |
| Digitize Herbarium                       | 47.074                    | (2)    | 13,562                   | -                            | 13,562                |
| Courtship Negotiation in a Lif           | 47.074                    | (2)    | 8,128                    | -                            | 8,128                 |
| Pacific Northwest LSAMP                  | 47.076                    | (2)    | 47,629                   | -                            | 47,629                |
| Pacific Northwest LSAMP PS               | 47.076                    | (2)    | 21,984                   | -                            | 21,984                |
| National Geoscience Student              | 47.076                    | (2)    | (674)                    | -                            | (674)                 |
| POGIL                                    | 47.076                    |        | -                        | 30,450                       | 30,450                |
| E-Learning Dev for AGEF                  | 47.076                    |        | -                        | 6,729                        | 6,729                 |
| Elem Teachers Engaged in Authe           | 47.076                    | (2)    | 7,917                    | -                            | 7,917                 |
| Mobile Games for Geoscience Ed           | 47.076                    | (2)    | 26,181                   | -                            | 26,181                |
| Cyber-enabled Learning                   | 47.076                    | (2)    | 5,242                    | -                            | 5,242                 |
| WC - WAVE - Visualization                | 47.079                    | (2)    | 17,223                   | -                            | 17,223                |
| WC-WAVE - Science                        | 47.079                    | (2)    | 41,736                   | -                            | 41,736                |
| WC-WAVE-Workforce Development            | 47.079                    | (2)    | 20,069                   | -                            | 20,069                |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title            | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|--|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| NATIONAL SCIENCE FOUNDATION (continued): |                           |     |                          |                              |                       |
| Pass Through Payments (continued):       |                           |     |                          |                              |                       |
| EPSCoR RII Program - Cobourn             | 47.080                    | (2) | \$ 429                   | \$ -                         | \$ 429                |
| EPSCoR RII Program - Feris               | 47.080                    | (2) | 8,621                    | -                            | 8,621                 |
| EPSCoR RII Program - Benner              | 47.080                    | (2) | 195,436                  | -                            | 195,436               |
| EPSCoR RII Program - Lowe                | 47.080                    | (2) | 17,765                   | -                            | 17,765                |
| EPSCoR RII Program - Callahan            | 47.080                    | (2) | 1,367                    | -                            | 1,367                 |
| EPSCoR RII Program - Sridhar             | 47.080                    | (2) | 1,006                    | -                            | 1,006                 |
| EPSCoR RII Program - Hernandez           | 47.080                    | (2) | 21,105                   | -                            | 21,105                |
| EPSCoR RII Program - DeGraaff            | 47.080                    | (2) | 41,621                   | -                            | 41,621                |
| EPSCoR RII Program - Pierce              | 47.080                    | (2) | 23,067                   | -                            | 23,067                |
| EPSCoR RII Program - Flores              | 47.080                    | (2) | 29,666                   | -                            | 29,666                |
| EPSCoR RII Program - McNamara            | 47.080                    | (2) | 8,476                    | -                            | 8,476                 |
| EPSCoR Startup YR5 - Marshall            | 47.080                    | (2) | 32,900                   | -                            | 32,900                |
| EPSCoR Startup Y5 - Forbey               | 47.080                    | (2) | 13,783                   | -                            | 13,783                |
| EPSCoR Startup Y5 - Wuerzer              | 47.080                    | (2) | 20,649                   | -                            | 20,649                |
| EPSCoR RII Program YR5-McNamar           | 47.080                    | (2) | 25,685                   | -                            | 25,685                |
| NSF EPSCoR-Lead Scientist 1              | 47.080                    | (2) | 64,464                   | -                            | 64,464                |
| NSF EPSCoR-Cyberinfrastructure           | 47.080                    | (2) | 54,552                   | -                            | 54,552                |
| EPSCoR-NSF Research                      | 47.080                    | (2) | 234,241                  | -                            | 234,241               |
| EPSCoR-NSF Diversity                     | 47.080                    | (2) | 161                      | -                            | 161                   |
| EPSCoR-NSF Cyber                         | 47.080                    | (2) | 16,589                   | -                            | 16,589                |
| EPSCoR-NSF Sustainability                | 47.080                    | (2) | 4,345                    | -                            | 4,345                 |
| EPSCoR-NSF Diversity-PartSprrt           | 47.080                    | (2) | 47,724                   | -                            | 47,724                |
| NSF EPSCoR Track II                      | 47.081                    | (2) | (2,738)                  | -                            | (2,738)               |
| Faculty-Student Interaction              | 47.NA                     |     | -                        | (73)                         | (73)                  |
| Everyday Examples in ENGR                | 47.NA                     | (2) | 747                      | -                            | 747                   |
| ARRA:                                    |                           |     |                          |                              |                       |
| Micron Engineering Center                | 47.082                    |     | -                        | 49,312                       | 49,312                |
| Total National Science Foundation        |                           |     | \$ 6,176,915             | \$ 915,444                   | \$ 7,092,359          |
| SMALL BUSINESS ADMINISTRATION:           |                           |     |                          |                              |                       |
| Direct Programs:                         |                           |     |                          |                              |                       |
| ID Research and Economic Dev.            | 59.000                    | (2) | \$ 46                    | \$ -                         | \$ 46                 |
| Jobs Act                                 | 59.037                    |     | -                        | 24,015                       | 24,015                |
| SBA - SBDC 2012                          | 59.037                    |     | -                        | (1,771)                      | (1,771)               |
| Energy Efficiency 2012                   | 59.037                    |     | -                        | (3,316)                      | (3,316)               |
| SBA 2013                                 | 59.037                    |     | -                        | 365,892                      | 365,892               |
| SBA 2014                                 | 59.037                    |     | -                        | 255,384                      | 255,384               |
| Research & Econ Dev & Entrepre           | 59.NA                     |     | -                        | 26,498                       | 26,498                |
| Total Small Business Administration      |                           |     | \$ 46                    | \$ 666,702                   | \$ 666,748            |

(continued)





# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title         | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|---------------------------------------|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| ENVIRONMENTAL PROTECTION AGENCY:      |                           |     |                          |                              |                       |
| Direct Programs:                      |                           |     |                          |                              |                       |
| EFC Competition                       | 66.203                    |     | \$ -                     | \$ 64,317                    | \$ 64,317             |
| Pass Through Payments:                |                           |     |                          |                              |                       |
| EPA Technical Assistance Grant        | 66.424                    |     | -                        | 116,011                      | 116,011               |
| Total Environmental Protection Agency |                           |     | <u>\$ -</u>              | <u>\$ 180,328</u>            | <u>\$ 180,328</u>     |
| NUCLEAR REGULATORY COMMISSION         |                           |     |                          |                              |                       |
| Direct Programs:                      |                           |     |                          |                              |                       |
| U.S. NRC Fellowship Program           | 77.008                    |     | \$ -                     | \$ 111,977                   | \$ 111,977            |
| Total Nuclear Regulatory Commission   |                           |     | <u>\$ -</u>              | <u>\$ 111,977</u>            | <u>\$ 111,977</u>     |
| U.S. DEPARTMENT OF ENERGY:            |                           |     |                          |                              |                       |
| Direct Programs:                      |                           |     |                          |                              |                       |
| Fracture and Fatigue                  | 81.049                    | (2) | \$ 161,964               | \$ -                         | \$ 161,964            |
| SunShot: Solar Siting GIS Tool        | 81.117                    | (2) | 589,531                  | -                            | 589,531               |
| Industrial Assessment Center          | 81.117                    |     | -                        | 272,467                      | 272,467               |
| Pass Through Payments:                |                           |     |                          |                              |                       |
| Fundamental Fluid Physics             | 81.049                    | (2) | 18,047                   | -                            | 18,047                |
| GMZ Auto Waste Heat Recovery          | 81.086                    | (2) | 128,390                  | -                            | 128,390               |
| Component Technologies R&D            | 81.087                    | (2) | (429)                    | -                            | (429)                 |
| Boise City Geothermal Exp.            | 81.087                    |     | -                        | 49,224                       | 49,224                |
| Homeowner Views on Energy Code        | 81.NA                     | (2) | 64,544                   | -                            | 64,544                |
| Irradiation Creep in Graphite         | 81.XXX                    | (2) | 46,670                   | -                            | 46,670                |
| Chalcogenide Glass Radiation          | 81.XXX                    | (2) | (2,237)                  | -                            | (2,237)               |
| SuitabilityLayeredBasalt FY11         | 81.XXX                    | (2) | (140)                    | -                            | (140)                 |
| Root Impacts on the C Cycle           | 81.XXX                    | (2) | 13,121                   | -                            | 13,121                |
| CAES Imaging Center                   | 81.XXX                    | (2) | 107                      | -                            | 107                   |
| Efficient Housing Res.Partners        | 81.XXX                    | (2) | (32)                     | -                            | (32)                  |
| Dev. of Adv. U Density Fuels          | 81.XXX                    | (2) | 131,679                  | -                            | 131,679               |
| TRISO-Coated Fuel Dura FY12           | 81.XXX                    | (2) | (3,225)                  | -                            | (3,225)               |
| Seismic Reflection Imaging            | 81.XXX                    | (2) | (3,750)                  | -                            | (3,750)               |
| Fuel Aging in Storage & Trans.        | 81.XXX                    | (2) | 233,497                  | -                            | 233,497               |
| EPI Joint Appt FY13                   | 81.XXX                    | (2) | 21,961                   | -                            | 21,961                |
| Techniques for Visualization          | 81.XXX                    | (2) | (922)                    | -                            | (922)                 |
| CAES Sr. Admin - FY13                 | 81.XXX                    | (2) | 4,071                    | -                            | 4,071                 |
| Adv Spark Plasma - FY13               | 81.XXX                    | (2) | 8,135                    | -                            | 8,135                 |

(continued)



**BOISE STATE UNIVERSITY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014**

| <b>Federal Grant / Program Title</b>   | <b>Federal<br/>CFDA<br/>Number</b> |     | <b>Research<br/>Expenditures</b> | <b>Non-Research<br/>Expenditures</b> | <b>Total<br/>Expenditures</b> |
|--|------------------------------------|-----|----------------------------------|--------------------------------------|-------------------------------|
| U.S. DEPARTMENT OF ENERGY (continued): |                                    |     |                                  |                                      |                               |
| Pass Through Payments (continued):     |                                    |     |                                  |                                      |                               |
| Butt Joint Appointment FY13            | 81.XXX                             | (2) | \$ 15,554                        | \$ -                                 | \$ 15,554                     |
| MaCS - BEA Utilization FY13            | 81.XXX                             | (2) | 45,181                           | -                                    | 45,181                        |
| MaCS - ATR Utilization FY13            | 81.XXX                             | (2) | 203,137                          | -                                    | 203,137                       |
| MaCS General FY13                      | 81.XXX                             | (2) | 204,864                          | -                                    | 204,864                       |
| Intergrated Approach to Algal          | 81.XXX                             | (2) | 64,974                           | -                                    | 64,974                        |
| Molten Salt Sensor Tech                | 81.XXX                             | (2) | 18,330                           | -                                    | 18,330                        |
| X-Ray Tomographic Character            | 81.XXX                             | (2) | 25,153                           | -                                    | 25,153                        |
| 2013 WEPRC                             | 81.XXX                             | (2) | 20,000                           | -                                    | 20,000                        |
| Magnetic Separation Nanotech           | 81.XXX                             | (2) | 12,826                           | -                                    | 12,826                        |
| Collegiate Wind Competition            | 81.XXX                             |     | -                                | 19,878                               | 19,878                        |
| Modeling Potential Crack Growt         | 81.XXX                             | (2) | 1,278                            | -                                    | 1,278                         |
| Intergrated Approach to Al-Yr2         | 81.XXX                             | (2) | 42,082                           | -                                    | 42,082                        |
| EPI Joint Appt FY14                    | 81.XXX                             | (2) | 58,121                           | -                                    | 58,121                        |
| HES Modeling                           | 81.XXX                             | (2) | 20,444                           | -                                    | 20,444                        |
| Materials Center Development           | 81.XXX                             |     | -                                | 20,000                               | 20,000                        |
| Butt Joint Appointment FY14            | 81.XXX                             | (2) | 43,560                           | -                                    | 43,560                        |
| Adv Spark Plasma - FY14                | 81.XXX                             | (2) | 18,198                           | -                                    | 18,198                        |
| MaCS - ATR Utilization FY14            | 81.XXX                             | (2) | 441,220                          | -                                    | 441,220                       |
| MaCS - BEA FY14                        | 81.XXX                             | (2) | 88,837                           | -                                    | 88,837                        |
| Molten Salt Sensor Tech FY14           | 81.XXX                             | (2) | 34,959                           | -                                    | 34,959                        |
| Magnetic Separation FY14               | 81.XXX                             | (2) | 3,210                            | -                                    | 3,210                         |
| Salt and Metal Separation              | 81.XXX                             | (2) | 24,936                           | -                                    | 24,936                        |
| CAES Program Devl FY14 Butt            | 81.XXX                             | (2) | 1,164                            | -                                    | 1,164                         |
| CAES Program Devl FY14 Gardner         | 81.XXX                             | (2) | 9,521                            | -                                    | 9,521                         |
| CAES Program Devl FY14 Solan           | 81.XXX                             | (2) | 4,621                            | -                                    | 4,621                         |
| CAES Program Devl FY14 Xiong           | 81.XXX                             | (2) | 4,116                            | -                                    | 4,116                         |
| Battery Assessment INL                 | 81.XXX                             |     | -                                | 4,880                                | 4,880                         |
| Glenn Joint Appointment FY14           | 81.XXX                             | (2) | 9,950                            | -                                    | 9,950                         |
| INL CAES HES II                        | 81.XXX                             | (2) | 2,528                            | -                                    | 2,528                         |
| ARRA:                                  |                                    |     |                                  |                                      |                               |
| Nat. Geothermal Database-ARRA          | 81.087                             | (2) | 1,137,228                        | -                                    | 1,137,228                     |
| Snake River Geothermal                 | 81.087                             | (2) | (651)                            | -                                    | (651)                         |
| Total U.S. Department of Energy        |                                    |     | <u>\$ 3,966,323</u>              | <u>\$ 366,449</u>                    | <u>\$ 4,332,772</u>           |

(continued)



## BOISE STATE UNIVERSITY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                       | Federal<br>CFDA<br>Number |        | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|---|---------------------------|--------|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF EDUCATION:                       |                           |        |                          |                              |                       |
| Direct Programs:                                    |                           |        |                          |                              |                       |
| Federal Supplemental Educational Opportunity Grants | 84.007                    | (1) \$ | -                        | \$ 396,425                   | \$ 396,425            |
| Federal College Work-Study (CWS)                    | 84.033                    | (1)    | -                        | 501,424                      | 501,424               |
| Federal CWS Job Location Costs (JLC)                | 84.033                    | (1)    | -                        | 39,576                       | 39,576                |
| Federal Perkins Loans                               | 84.038                    | (1)    | -                        | 1,600,037                    | 1,600,037             |
| Federal Pell Grants                                 | 84.063                    | (1)    | -                        | 27,235,476                   | 27,235,476            |
| Federal Direct Subsidized Loans                     | 84.268                    | (1)    | -                        | 32,236,217                   | 32,236,217            |
| Federal Direct Unsubsidized Loans                   | 84.268                    | (1)    | -                        | 46,219,283                   | 46,219,283            |
| Federal Direct Parent Loans                         | 84.268                    | (1)    | -                        | 4,737,741                    | 4,737,741             |
| Federal Iraq/Afghan Service Grant                   | 84.408                    | (1)    | -                        | 5,080                        | 5,080                 |
| Student Success Program 12-13                       | 84.042A                   |        | -                        | 49,995                       | 49,995                |
| Student Success Program 13-14                       | 84.042A                   |        | -                        | 254,225                      | 254,225               |
| ETS I 2012-2013                                     | 84.044A                   |        | -                        | 64,945                       | 64,945                |
| ETS II 2012-2013                                    | 84.044A                   |        | -                        | 61,927                       | 61,927                |
| ETS II 2013-2014                                    | 84.044A                   |        | -                        | 208,246                      | 208,246               |
| ETS I 2013-2014                                     | 84.044A                   |        | -                        | 371,905                      | 371,905               |
| UB I Canyon County 2011-2012                        | 84.047A                   |        | -                        | 28                           | 28                    |
| UB III - Borah & Capital 12-13                      | 84.047A                   |        | -                        | 134                          | 134                   |
| UB I Canyon County 2012-2013                        | 84.047A                   |        | -                        | 156,445                      | 156,445               |
| UB II Duck Valley 2012-2013                         | 84.047A                   |        | -                        | 78,799                       | 78,799                |
| UB IV Meridian 2012-2013                            | 84.047A                   |        | -                        | 94,962                       | 94,962                |
| UB III - Borah & Capital 13-14                      | 84.047A                   |        | -                        | 226,392                      | 226,392               |
| UB IV Meridian 2013-2014                            | 84.047A                   |        | -                        | 165,544                      | 165,544               |
| UB I Canyon County 2013-2014                        | 84.047A                   |        | -                        | 218,526                      | 218,526               |
| UB II Duck Valley 2013-2014                         | 84.047A                   |        | -                        | 188,920                      | 188,920               |
| Veterans Upward Bound 12-13                         | 84.047V                   |        | -                        | 48,960                       | 48,960                |
| Veterans Upward Bound 13-14                         | 84.047V                   |        | -                        | 191,943                      | 191,943               |
| HEP 2011-2012                                       | 84.141A                   |        | -                        | (377)                        | (377)                 |
| HEP 2012-2013                                       | 84.141A                   |        | -                        | 26,103                       | 26,103                |
| HEP 2013-2014                                       | 84.141A                   |        | -                        | 433,394                      | 433,394               |
| CAMP 2011-2012                                      | 84.149A                   |        | -                        | (679)                        | (679)                 |
| CAMP 2012-2013                                      | 84.149A                   |        | -                        | 34,609                       | 34,609                |
| CAMP 2013-2014                                      | 84.149A                   |        | -                        | 378,127                      | 378,127               |
| McNair Scholars Program 12-13                       | 84.217A                   |        | -                        | 73,702                       | 73,702                |
| McNair Scholars Program 13-14                       | 84.217A                   |        | -                        | 122,920                      | 122,920               |
| Teacher Monitoring PD                               | 84.305A                   | (2)    | 331,443                  | -                            | 331,443               |
| Improving Metacomprehension                         | 84.305B                   | (2)    | 9,771                    | -                            | 9,771                 |
| TATERS  | 84.325T                   |        | -                        | 98,940                       | 98,940                |
| UB III - Borah & Capital 14-15                      | 84.ADV                    |        | -                        | 37,010                       | 37,010                |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                 | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|---|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF EDUCATION (continued):     |                           |     |                          |                              |                       |
| Pass Through Payments:                        |                           |     |                          |                              |                       |
| Enhancing Teacher PCK Inquiry                 | 84.366                    |     | \$ -                     | \$ (9,716)                   | \$ (9,716)            |
| Dev. Mathematical Thinking III                | 84.366                    |     | -                        | 4,214                        | 4,214                 |
| i-STEM Prof Dev Initiative                    | 84.366                    |     | -                        | 352,534                      | 352,534               |
| i-STEM Prof Dev Stipends                      | 84.366                    |     | -                        | 28,370                       | 28,370                |
| School Improvement 10-11                      | 84.010A                   |     | -                        | (634)                        | (634)                 |
| Idaho Building Capacity 2011                  | 84.010A                   |     | -                        | (1,886)                      | (1,886)               |
| IBC 2012 A-Funds                              | 84.010A                   |     | -                        | 4,094                        | 4,094                 |
| School Imp. 2012 A-Funds                      | 84.010A                   |     | -                        | 219                          | 219                   |
| School Imp. 2012 A-Admin                      | 84.010A                   |     | -                        | 1,899                        | 1,899                 |
| IBC A-Funds 13-14                             | 84.010A                   |     | -                        | 224,112                      | 224,112               |
| School Improvement 2013                       | 84.010A                   |     | -                        | 72,280                       | 72,280                |
| SESTA 11-12                                   | 84.027A                   | (3) | -                        | 940                          | 940                   |
| PBIS 11-12                                    | 84.027A                   | (3) | -                        | (1,798)                      | (1,798)               |
| SESTA 12-13                                   | 84.027A                   | (3) | -                        | 6,449                        | 6,449                 |
| SW Regional 12-13                             | 84.027A                   | (3) | -                        | 6,218                        | 6,218                 |
| PBIS 12-13                                    | 84.027A                   | (3) | -                        | 23,314                       | 23,314                |
| SW Regional Special Ed 13-14                  | 84.027A                   | (3) | -                        | 316,217                      | 316,217               |
| SESTA 13-14                                   | 84.027A                   | (3) | -                        | 489,822                      | 489,822               |
| PBIS 13-14                                    | 84.027A                   | (3) | -                        | 211,781                      | 211,781               |
| MTSS  | 84.027A                   | (3) | -                        | 25                           | 25                    |
| CII Improvement Support to STs                | 84.283B                   |     | -                        | (19)                         | (19)                  |
| RESET 12-13                                   | 84.323A                   | (2) | 7,872                    | -                            | 7,872                 |
| NWP Teacher Leadership Develop                | 84.367D                   |     | -                        | 3,474                        | 3,474                 |
| SEED: Taft Elementary                         | 84.367D                   |     | -                        | 3,935                        | 3,935                 |
| NWP SEED Online Learning Exp                  | 84.367D                   |     | -                        | 9,247                        | 9,247                 |
| School Improvement 2014 Admin                 | 84.388A                   |     | -                        | 31,805                       | 31,805                |
| ADI Support to States                         | 84.ADV                    |     | -                        | (6,192)                      | (6,192)               |
| ARRA:   |                           |     |                          |                              |                       |
| IBC 2011-ARRA                                 | 84.388A                   |     | -                        | 1,886                        | 1,886                 |
| IBC 2012 ARRA                                 | 84.388A                   |     | -                        | (4,094)                      | (4,094)               |
| School Imp. 2012 ARRA                         | 84.388A                   |     | -                        | 365                          | 365                   |
| IBC ARRA 13-14                                | 84.388A                   |     | -                        | 108,021                      | 108,021               |
| Total U.S. Department of Education            |                           |     | \$ 349,086               | \$ 118,433,786               | \$ 118,782,872        |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES: |                           |     |                          |                              |                       |
| Direct Programs:                              |                           |     |                          |                              |                       |
| Developing Proteogenomic Mappi                | 93.172                    | (2) | \$ 190                   | \$ -                         | \$ 190                |
| Developing Proteogenomic Mappi                | 93.172                    | (2) | (12,193)                 | -                            | (12,193)              |
| Software to ID Post-Translatio                | 93.389                    | (2) | (154)                    | -                            | (154)                 |

(continued)



# BOISE STATE UNIVERSITY

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                             | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures |
|---|---------------------------|-----|--------------------------|------------------------------|-----------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued): |                           |     |                          |                              |                       |
| Direct Programs (continued):                              |                           |     |                          |                              |                       |
| Preferential Cytotoxic                                    | 93.395                    | (2) | \$ 71,424                | \$ -                         | \$ 71,424             |
| Oncostatin M-induced VEGF                                 | 93.396                    | (2) | 41,608                   | -                            | 41,608                |
| Improvement of RNA Search                                 | 93.859                    | (2) | 19,919                   | -                            | 19,919                |
| NIH K25 Career Award                                      | 93.859                    | (2) | 101,251                  | -                            | 101,251               |
| Ident and Char of Integrin                                | 93.859                    | (2) | 117,779                  | -                            | 117,779               |
| APoE4 Proteolysis Alzheimer's                             | 93.866                    | (2) | 49,190                   | -                            | 49,190                |
| Pass Through Payments:                                    |                           |     |                          |                              |                       |
| STAC-TEC Sustainable Technolog                            | 93.143                    |     | -                        | 13,609                       | 13,609                |
| Perceived Risk: Medical Error                             | 93.226                    | (2) | 18,633                   | -                            | 18,633                |
| ID CAH Lean Process Improve                               | 93.241                    |     | -                        | 7,334                        | 7,334                 |
| Idaho Office of Drug Policy Ev                            | 93.243                    |     | -                        | 29,538                       | 29,538                |
| Diesel Exposure in Mines                                  | 93.262                    | (2) | 55,004                   | -                            | 55,004                |
| Diesel Exposure in Mines COEN                             | 93.262                    | (2) | 1,170                    | -                            | 1,170                 |
| Tobacco Prevention Program                                | 93.283                    |     | -                        | 15,257                       | 15,257                |
| Preclinical Eval of Sub Staph                             | 93.350                    | (2) | 11,028                   | -                            | 11,028                |
| INBRE II - Year 4   | 93.389                    | (2) | (2,271)                  | -                            | (2,271)               |
| INBRE II - Year 4   | 93.389                    | (2) | (1,693)                  | -                            | (1,693)               |
| INBRE II - Year 4   | 93.389                    | (2) | (100)                    | -                            | (100)                 |
| INBRE II - Year 4   | 93.389                    | (2) | (6,188)                  | -                            | (6,188)               |
| INBRE II - Year 4   | 93.389                    | (2) | (4,238)                  | -                            | (4,238)               |
| INBRE II - Yr 5 Bioinformatics                            | 93.389                    | (2) | 73,154                   | -                            | 73,154                |
| INBRE II - Yr 5 Core                                      | 93.389                    | (2) | 126,225                  | -                            | 126,225               |
| INBRE II - Yr 5 Cornell                                   | 93.389                    | (2) | 58,063                   | -                            | 58,063                |
| INBRE II - Yr 5 Knowlton                                  | 93.389                    | (2) | 30,102                   | -                            | 30,102                |
| INBRE II - Yr 5 Mitchell                                  | 93.389                    | (2) | 62,320                   | -                            | 62,320                |
| INBRE II - Yr 5 Stevens                                   | 93.389                    | (2) | 101,738                  | -                            | 101,738               |
| INBRE II - Yr 5 Team                                      | 93.389                    | (2) | 156,624                  | -                            | 156,624               |
| Impact Scholars Coordinator                               | 93.556                    |     | -                        | 23,901                       | 23,901                |
| ID Refugee CETI   | 93.576                    |     | -                        | 32,081                       | 32,081                |
| Idaho Office for Refugees                                 | 93.576                    |     | -                        | 7,465                        | 7,465                 |
| Project SHINE   | 93.576                    |     | -                        | 43,873                       | 43,873                |
| Montana Critical Access Hospit                            | 93.824                    |     | -                        | 28,228                       | 28,228                |
| Gait Post Stroke  | 93.859                    | (2) | 51,017                   | -                            | 51,017                |
| NK cell subset and beta-adrene                            | 93.859                    | (2) | 38,793                   | -                            | 38,793                |
| Association of Serum OSM Level                            | 93.859                    | (2) | 48,165                   | -                            | 48,165                |
| IDeA - CTR Boise State                                    | 93.859                    | (2) | 24,455                   | -                            | 24,455                |
| Accelerated Reconstruction                                | 93.879                    | (2) | (702)                    | -                            | (702)                 |
| Nursing CAQ Phase IV                                      | 93.913                    | (2) | 13,402                   | -                            | 13,402                |
| Utah Critical Access Hospital                             | 93.913                    |     | -                        | 20,142                       | 20,142                |
| Maternal and Child Health Need                            | 93.994                    |     | -                        | 20,029                       | 20,029                |

(continued)



## BOISE STATE UNIVERSITY

### SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

| Federal Grant / Program Title                             | Federal<br>CFDA<br>Number |     | Research<br>Expenditures | Non-Research<br>Expenditures | Total<br>Expenditures     |
|---|---------------------------|-----|--------------------------|------------------------------|---------------------------|
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued): |                           |     |                          |                              |                           |
| Pass Through Payments (continued):                        |                           |     |                          |                              |                           |
| INBRE III - Year 1  | 93.ADV                    | (2) | \$ 31,182                | \$ -                         | \$ 31,182                 |
| Substance Abuse Clearinghouse                             | 93.XXX                    |     | -                        | 1,546                        | 1,546                     |
| Novel Antibiotics - Giardia                               | 93.XXX                    | (2) | 8,407                    | -                            | 8,407                     |
| Regional Alcohol Drug Awareness                           | 93.XXX                    |     | -                        | 220                          | 220                       |
| ARRA:   |                           |     |                          |                              |                           |
| Zebrafish Development-ARRA                                | 93.701                    | (2) | (2,057)                  | -                            | (2,057)                   |
| MCP-1 and Liver Regeneration                              | 93.701                    | (2) | 2,205                    | -                            | 2,205                     |
| Construction of BSU BRV-ARRA                              | 93.702                    | (2) | 35,873                   | -                            | 35,873                    |
| Total U.S. Department of Health and Human Services        |                           |     | <u>\$ 1,319,325</u>      | <u>\$ 243,223</u>            | <u>\$ 1,562,548</u>       |
| <br>Total Federal Expenditures                            |                           |     | <br><u>\$ 15,292,485</u> | <br><u>\$ 122,734,418</u>    | <br><u>\$ 138,026,903</u> |

- (1) Student Financial Assistance Cluster is combined and displayed as a major program.  
(2) Research and Development is combined and displayed as a major program.  
(3) Special Education - Grants to States (IDEA, Part B) is combined and displayed as a major program.



## BOISE STATE UNIVERSITY

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### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

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#### 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 | \$10,389,991  |
| Nursing Student | 93.364 | \$7,013       |

Total loan expenditures and disbursements of the Department of Education (Perkins) student financial assistance programs for the year ended June 30, 2014 are identified below:

| Loan Program    | Number | Loan Disbursements |
|-----------------|--------|--------------------|
| Federal Perkins | 84.038 | \$1,600,037        |

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, 2014.



**BOISE STATE UNIVERSITY**


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NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2014

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**4. SUBRECIPIENTS**

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

| <b>Program</b>                 | <b>Federal<br/>CFDA<br/>Number</b> | <b>Amount<br/>Provided to<br/>Subrecipients</b> |
|--------------------------------|------------------------------------|---|
| RISE: Rural Idaho Saves Energy | 10.868                             | \$ 25,686                                       |
| Bioenergy and soil C storage   | 10.31                              | 8,903   |
| GHG mitigation of AD systems   | 10.31                              | 104,473   |
| FY13 EDA University Center     | 11.302                             | 2,165   |
| Hydrologic Fluxes and States   | 12.431                             | 7,150   |
| Burrowing Owls, Fleas & Plague | 15.655                             | 952   |
| Protected Area Analysis        | 15.808                             | 54,703  |
| Point Defects in Perovskites   | 47.049                             | 97,970  |
| Differential Cytotoxicity      | 47.041                             | 128,415   |
| Jobs Act                       | 59.037                             | 9,340   |
| Energy Efficiency 2012         | 59.037                             | 4,551   |
| SBA 2013                       | 59.037                             | 271,718   |
| Nat. Geothermal Database-ARRA  | 81.087                             | 1,211,840                                       |
| SunShot: Solar Siting GIS Tool | 81.117                             | 340,149   |
| Industrial Assessment Center   | 81.117                             | 102,013   |
| Elec-Prop Ceramic Materials    | 43.NA                              | (3,000)   |
| i-STEM Prof Dev Initiative     | 84.366                             | 118,903   |
| TechHelp 1B4ID                 | 11.302                             | 30,195  |
| Idaho TechHelp NIST MEP        | 11.611                             | 129,474   |
| SBA 2014                       | 59.037                             | 54,499  |
| Montana Critical Access Hospit | 93.824                             | 8,943   |
| Gait Post Stroke               | 93.859                             | 9,546   |
| Utah Critical Access Hospital  | 93.913                             | 6,962   |
| Total Subrecipients            |                                    | <u>\$ 2,725,550</u>                             |