FY22 ANNUAL FINANCIAL STATEMENTS

Financial Statements for the Years Ended June 30, 2022 and 2021 and Independent Auditor's Report

Idaho State University

DIVISION OF FINANCE
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IDAHO STATE UNIVERSITY

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INDEPENDENT AUDITORS' REPORT

Idaho Office of the State Board of Education
Idaho State University
Pocatello, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Idaho State University, a component unit of the State of Idaho, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise Idaho State University's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component units of Idaho State University, as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit, the Idaho State University Foundation (the Foundation), which represents 100 percent of the assets, net assets, and revenues of the discretely presented component unit as of June 30, 2022 and 2021. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for the Foundation is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Idaho State University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

Emphasis of a Matter

As disclosed in Note 1, the University implemented the provisions of Governmental Accounting Standards Board Statement No. 87 – Leases. The Standard requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Idaho State University's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Idaho State University's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the required schedules related to the University's pension plan, and the required schedules related to the University's postemployment benefits plans be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2022, on our consideration of Idaho 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Idaho State University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Idaho State University's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St, Louis, Missouri
October 31, 2022

Management's Discussion and Analysis
For the fiscal year ended June 30, 2022

INTRODUCTION

The following analysis and discussion provides an overview of the financial position and activities of Idaho State University (the University or ISU) for the fiscal year ended June 30, 2022, with comparative information for the fiscal year ended June 30, 2021 and 2020. This overview has been prepared by management and should be read in association with the financial statements and accompanying footnote disclosures of the University included in this report.

PROFILE OF THE UNIVERSITY

Idaho State University, a Carnegie-classified doctoral research and teaching institution founded in 1901, attracts students from around the world to its Idaho campuses. At the main campus in Pocatello, and at locations in Meridian, Idaho Falls and Twin Falls, ISU offers access to high-quality education in more than 250 programs. Over 12,000 students attend ISU, receiving education and training in those programs. Idaho State University is the state's designated lead institution in health professions.

Idaho State University faculty and students are leading the way in cutting-edge research and innovative solutions in the areas of energy, health professions, nuclear research, teaching, humanities, engineering, performing and visual arts, technology, biological sciences, pharmacy and business. Idaho State University combines exceptional academics amidst the grand natural beauty of the West. ISU is located in an outdoor-lover's paradise and is just a short drive to some of America's greatest natural wonders and exciting outdoor recreation opportunities.

USING THE FINANCIAL STATEMENTS

Idaho State University's financial statements for the fiscal year 2022 are presented in this report for your review. Condensed operations and financial position data are presented in this section in order to illustrate certain increases and decreases over fiscal year 2021 and 2020. The emphasis of the following discussions about these statements is on changes in current year data versus the prior year.

The financial statements presented in this report include the University and its discretely presented component unit, the Idaho State University Foundation, Inc. (Foundation). The financial statements include the University's Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows.

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles and standards of the Governmental Accounting Standards Board (GASB). GASB establishes governmental accounting and financial reporting standards for state and local governments, including public colleges and universities.

Management's discussion and analysis highlights supplementary information regarding the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position.

FINANCIAL HIGHLIGHTS

In fiscal year 2022, the University implemented GASB 87 Leases, which requires the University to recognize certain lease assets and liabilities for leases that were previously classified as operating leases. Under this statement, lessee leases recognize a lease liability and an intangible right-to-use lease asset, lessor leases recognize a lease receivable and a deferred inflow of resources. In accordance with this standard FY21 is restated for comparability in recognition of leases as required by GASB 87.

Comparison of fiscal year 2022 to fiscal year 2021
The University's financial position at June 30, 2022, reflects the following changes versus the previous fiscal year.

- Assets increased by $22.2 million to end the year at $441.1 million.
- Liabilities decreased by $23.6 million to end the year at $117.6 million.
- Net position, invested in capital assets totaled $190.4 million an increase of $17.3 million.
- Net position, which is the residual of assets and deferred outflows after deducting liabilities and deferred inflows, increased by $30.9 million to end at $303.6 million.

Other significant changes to operations were as follows:

- Operating revenues totaled $148.4 million, an increase of $22.9 million.
- Operating expenses totaled $281.2 million, an increase of $28.8 million.
- Nonoperating revenues, net of expense, totaled $156.5 million, an increase of $18.9 million.

Comparison of fiscal year 2021 to fiscal year 2020
The University's financial position at June 30, 2021, reflects the following changes versus the previous fiscal year.

- Assets increased by $43.5 million to end the year at $418.8 million.
- Liabilities increased by $12.6 million to end the year at $141.2 million.
- Net position, invested in capital assets totaled $173.1 million an increase of $17.9 million.
- Net position, which is the residual of assets and deferred outflows after deducting liabilities and deferred inflows, increased by $15.7 million to end at $272.7 million.

Other significant changes to operations were as follows:

- Operating revenues totaled $125.4 million, an increase of $7.1 million.
- Operating expenses totaled $252.4 million, a decrease of $0.6 million.
- Nonoperating revenues, net of expense, totaled $137.5 million, an increase of $9.9 million.

CONDENSED FINANCIAL INFORMATION AND ANALYSIS

Financial Position - Statement of Net Position

The Statement of Net Position is a snapshot of the University's financial position at, June 30, 2022 (fiscal year end). It reports the University's assets and deferred outflows (financial resources), liabilities and deferred inflows (financial obligations), and net position (remaining balance in assets after paying creditors) based on end-of-year data.

Assets are classified as current, noncurrent, or capital. Current assets can be expected to easily convert to cash to meet the University's expenses within 12 months and include cash and cash equivalents, accounts receivable, inventories, prepaid expenses, and investments. Noncurrent assets can be expected to be held more than one year and include items such as, student loans receivable. Capital assets are reported net of accumulated depreciation and include construction in progress, furniture and equipment, land, buildings, and improvements.

Liabilities are classified as current or noncurrent. Current liabilities are obligations that are due and payable within 12 months and include payroll and benefits, amounts payable to suppliers for goods and services received, and debt principal payments due within one year. Noncurrent liabilities are obligations payable after more than one year and include installment contracts and bond commitments.

Deferrals represent the consumption and acquisition of resources applicable to future reporting periods. Deferred outflows of resources reflect expenditures applicable to future reporting periods and so will not be recognized as an expense until then. Deferred inflows of resources are revenue that is associated with future reporting periods and so it will not be recognized as revenue until then.

Liquidity is an important indicator of financial stability, which can be measured by the number of days an institution is able to operate using unrestricted cash and investments that can be liquidated and spent within one year. The University has maintained its ability to cover operating costs (see ratios later in this section). Within the industry, it is generally considered prudent to maintain reserves to cover operating expenses for at least 60 to 90 days, and at June 30, 2022 the University maintains reserves to cover operating expenses for 5 months of operations.

Net position is divided into three categories:

- **Net investment in capital assets:** represents capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
- **Restricted, expendable**: consists of funds subject to restrictions established by outside entities directing their use, such as scholarships, research grants/awards, loans, capital projects, and debt service.
- **Unrestricted**: represent those funds available to the University for the general and educational obligations to meet current expenses for any purpose. Unrestricted net assets are not subject to externally imposed stipulations; however, the University has designated the majority of unrestricted net assets for various academic programs and university support functions.

CONDENSED STATEMENT OF NET POSITION

The *Statement of Net Position* reflects the financial position of the University at the end of the fiscal year. The sum of assets and deferred outflows, less liabilities and deferred inflows, represents net position. Changes in net position occur over time and are one important indicator of the financial condition of the University. Net Position is presented in three major categories on the statement, each of which is described in more detail within the footnotes to the statements. A summary comparison of the assets, deferred outflows, liabilities, deferred inflows, and net position for the years ended June 30, 2022, 2021, and 2020 is presented below.

Condensed Statement of Net Position

(dollars in thousands) For the Year Ended June 30,	2022	Restated 2021	2022 vs 2021 Change	2020
Assets:				
Current Assets	174,519	168,014	6,505	160,587
Noncurrent Assets	39,453	35,895	3,558	12,646
Capital Assets, Net	227,097	214,935	12,162	202,078
Total Assets	441,069	418,844	22,225	375,311
Deferred Outflows of Resources	26,606	24,129	2,477	17,829
Total Assets and Deferred Outflows of Resources	467,675	442,973	24,702	393,140
Liabilities:				
Current Liabilities	46,280	49,525	(3,245)	43,370
Noncurrent Liabilities	71,314	91,625	(20,311)	85,152
Total Liabilities	117,594	141,150	(23,556)	128,522
Deferred Inflows of Resources	46,491	29,138	17,353	7,627
Net Position:				
Invested in Capital Assets	190,405	173,091	17,314	155,157
Restricted, Expendable	15,817	13,723	2,094	15,911
Unrestricted	97,368	85,871	11,497	85,923
Net Position	303,590	272,685	30,905	256,991
Total Liabilities, Deferred Inflows and Net Position	467,675	442,973	24,702	393,140

SIGNIFICANT CHANGES IN THE STATEMENT OF NET POSITION

Comparison of fiscal year 2022 to fiscal year 2021

- The total net position of the University at June 30, 2022, was $303.6 million, an increase of $30.9 million versus the prior year. The University's total net position includes its net investment in capital assets of $190.4 million. The restricted portion of net position increased $2.1 million to $15.8 million, and the unrestricted portion of net position increased $11.5 million to a total of $97.4 million.

- In 2022, the $6.5 million increase in current assets is largely due to the increase in cash and investments. The primary driver of growth in noncurrent assets is attributed to capital assets, net and other long-term assets (OPEB SLIRF & Pension), which increased $12.2 million and $3.6 million, respectively. Deferred outflows of resources is up $2.5 million. (Footnote 1 contains schedule by component; pensions, OPEB, SLIRF, asset retirement obligations)

- During the current fiscal year, total liabilities decreased by $23.6 million, primarily due to decreases in noncurrent liabilities of $20.3 million and current liabilities of $3.3 million. The noncurrent liability decline is due to decreases in pensions and notes and bonds payable, $16.9 million and $5.6 million respectively. The primary drivers for the $3.3 million decrease in current liabilities is accrued salaries, and accrued liabilities.

Comparison of fiscal year 2021 to fiscal year 2020

- The total net position of the University at June 30, 2021, was $272.7 million, an increase of $15.7 million versus the prior year. The University's total net position includes its net investment in capital assets of $173.1 million. The restricted portion of net position decreased $2.2 million to $13.7 million, and the unrestricted portion of net position remained relatively flat at $85.9 million.

- In 2021, the $7.4 million increase in current assets is largely due to the increase in cash and accounts receivable, which are up due to the timing of receipts for federal direct loans, grants and contracts, and the receivable from the Foundation. The primary driver of growth in noncurrent assets is attributed to capital assets, net, other long-term assets (OPEB SLIRF), and the lease receivable restatement (due to the implementation of GASB 87) which increased $12.9 million, $1.4 million and $21.9 million, respectively. Deferred outflows of resources is up $6.4 million due to increases in deferred outflow for pensions $2.0 million, OPEB (other post-employment benefits) $5.3 million, offset in part by declines in SLIRF (sick leave insurance reserve fund) $0.2 million, and ARO (asset retirement obligations) $0.7 million.

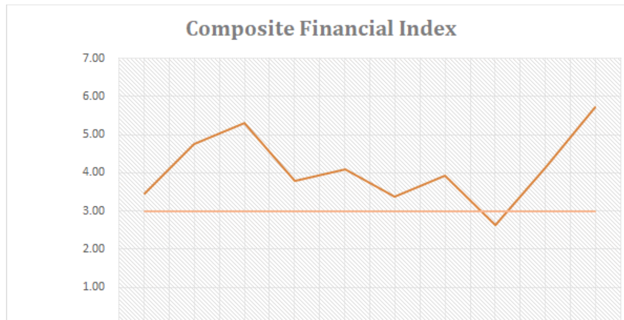
- During the current fiscal year, total liabilities increased by $12.6 million, primarily due to increases in noncurrent liabilities of $6.5 million and current liabilities of $6.2 million. The noncurrent liability increase is due to increases in pensions $8.3 million, OPEB $2.8 million, and lease liability $0.7 million, offset in part by a decline of $5.3 million in notes and bonds payable. The primary drivers for the $6.2 million increase in current liabilities is accrued salaries and compensated absences $3.3 million, payables and due to federal/state agencies $2.5 million, other liabilities $1.9 million, notes and bond payable $0.2 million, offset in part by a decline in unearned revenue of $1.8 million.

Financial Health Indicators

There are a number of ratios used to evaluate financial health of institutions. Each ratio measures one aspect of performance. The Composite Financial Index (CFI), combines four core ratios into a single metric. Blending the four key metrics of financial health into a single number provides a more balanced view of the institution's financial health. A shortcoming in one measure may be offset by the strength of another measure.

The four core ratios are the viability ratio, the net operating revenues ratio, the return on net assets ratio and the primary reserve ratio. Each of these ratios is adjusted for their strength factor using a common scale then multiplied by the designated weighting factors and summed to compute the composite financial index.

The graph that follows displays the CFI of Idaho State University over the past ten years compared to the benchmark established for universities in the State of Idaho by the State Board of Education. The short term dip below the benchmark reflects the University strategy to utilize reserves as we worked to stabilize enrollments and develop a sustainable budget model - HEERF grant funds and revenue improvements drive increase in FY22.



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
ISU Ratio	3.47	4.75	5.31	3.78	4.09	3.37	3.92	2.63	4.15	5.73
Benchmark	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0

Results of Operations - Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position is comparable to the Income Statement of for-profit entities. It reflects the sources and amounts of revenues earned and the expense types and amounts incurred during the year, grouped as operating, nonoperating or other. The Statement of Revenues, Expenses, and Changes in Net Position reports the revenues earned and expenses incurred during the year on an accrual basis, identified as operating and nonoperating activities as prescribed by GASB.

Operating revenues represent the funds obtained from providing goods and services to the University's customers. They include tuition and fees, grant and contract payments, and sales and service revenue generated by student housing, student dining, and other

Idaho State University

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University operations. Operating expenses are those expenditures made to acquire or produce the services provided to generate operating revenues and in carrying out the mission of the University.

Nonoperating revenues are resources for which goods and services are not provided and include state appropriations, federal student aid, gifts, and investment income. Nonoperating expenses include such expenditures as interest expense on long-term debt and amortization of bond insurance costs. One of ISU's primary sources of revenue is appropriations provided by the state of Idaho, which, as directed by GASB standards, are classified as nonoperating revenue. As a result, the University's financial statements typically show an operating loss. A more comprehensive assessment of the operations of the University is reflected in the change in net position at the end of the year.

Other revenues and expenses include capital gifts or grants and gains or losses on the disposal of capital assets.

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

A comparative statement summarizing the University's revenues, expenses, and changes in net position for the years ended June 30, 2022, 2021, and 2020, is shown below.

Condensed Statement of Revenue, Expenses and Changes in Net Position

(dollars in thousands) For the Year Ended June 30,	2022	Restated 2021	2021 vs 2020 Change	2020
Operating Revenues	$ 148,418	$125,430	$ 22,988	$ 118,301
Operating Expenses	281,248	252,437	28,811	253,035
Operating Loss	(132,830)	(127,007)	(5,823)	(134,734)
Nonoperating Revenues, Net of Expenses	156,487	137,497	18,990	127,624
Other Revenues (Expenses)	7,248	4,541	2,707	12,004
Increase (Decrease) in Net Position	30,905	15,031	15,874	4,894
SPECIAL ITEMS				
Transfer of Operations	-	663	(663)	-
Increase (Decrease) in Net Position after Special Items	30,905	15,694	15,211	4,894
Net Position, Beginning of Year	272,685	256,991	15,694	252,097
Net Position, End of Year	303,590	272,685	30,905	256,991

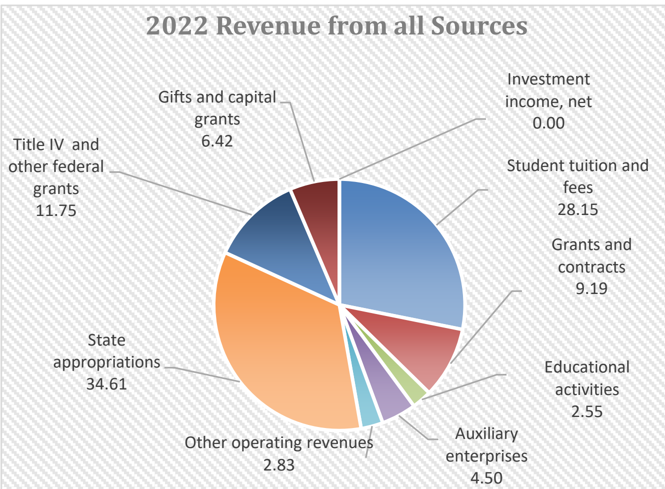
SIGNIFICANT CHANGES IN THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

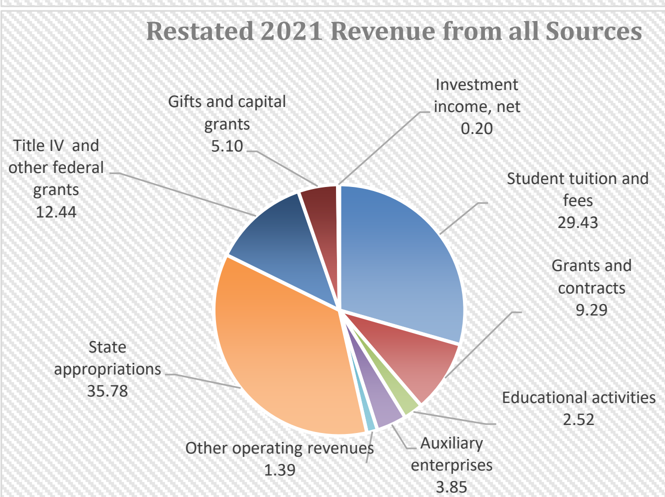
- Below is a graphic illustration of revenues by source (both operating and nonoperating) for the years ended June 30, 2022 and 2021.
  - Total revenues for the year ended June 30, 2022, were $314.2 million, representing an increase of $44.3 million over the prior year.
  - Total revenues for the year ended June 30, 2021, were $269.9 million, representing an increase of $9.0 million over the prior year.

Operating Revenue from all Sources

Condensed Statement of Revenue, Expenses and Changes in Net Position

(dollars in thousands) For the Year Ended June 30,	2022	Restated 2021	2022 vs 2021 Change	2020
Student Tuition and Fees	$ 88,465	$ 79,404	$ 9,061	$ 72,791
Grants and Contracts	28,887	25,072	3,815	23,774
Auxiliary Enterprises	14,148	10,393	3,755	12,827
Educational Activities	8,018	6,805	1,213	5,395
Other Operating Revenues	8,900	3,756	5,144	3,514
Total Operating Revenues	148,418	125,430	22,988	118,301
Appropriations	108,717	96,568	12,149	102,165
Title IV Grants	14,095	14,144	(49)	15,495
Other Federal Grants	22,824	19,420	3,404	3,083
Gifts and Capital grants	20,183	13,757	6,426	20,749
Investment Income, net	(73)	545	(618)	1,005
Total Nonoperating Revenues	165,746	144,434	21,312	142,497
Total Revenues	314,164	269,864	44,300	260,798





As the above graphs show, the University's primary sources of revenue are state appropriations and tuition and fees. State appropriations contribute a significant share of the funds needed for instructional activities. Tuition and fees represent the next largest source of revenue.

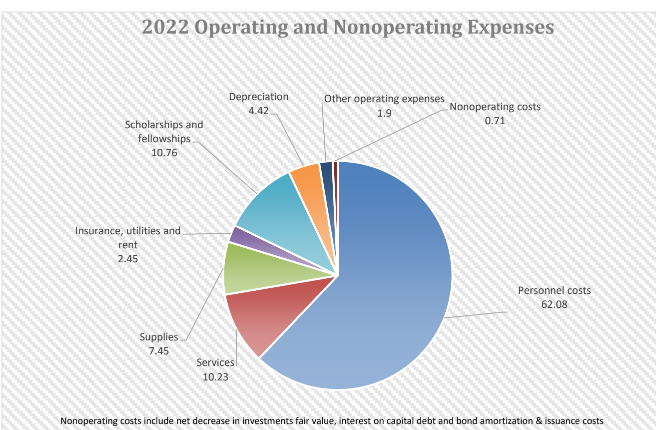
- State Appropriations: The largest component of nonoperating revenue is state appropriations. In 2022, state funding increased overall by $12.2 million, over the prior year.
- Tuition and Fees: Net tuition and fee revenue of $88.5 million reflects an increase of $9.1 million over the prior year due to increases in revenue from workshops and re-instatement of online class fees which were waived in 2021.
- Grants and Contracts: Fiscal year 2022 federal grants and contracts revenue of $10.6 million was $2.2 million more than the prior year. Private grant revenue was $7.0 million, up $1.2 million. State grant revenue increased by $0.4 million to $10.6 million. In total, grant revenue increased by $3.8 million to $28.9 million.
- Title IV Grants and other federal grants: Other federal grants (HEERF grants for COVID relief), increased by $3.4 million over the prior year, while Title IV grants remained flat.
- Educational and Auxiliary: Revenue increased $5.0 million to $22.2 million.
- Other Revenue: Revenues increased $5.1million to $8.9 million driven by the operating transfer from the Foundation of Bengal Pharmacy at the end of the prior fiscal year.
- Gifts and Capital grants: Increased $6.4 million.

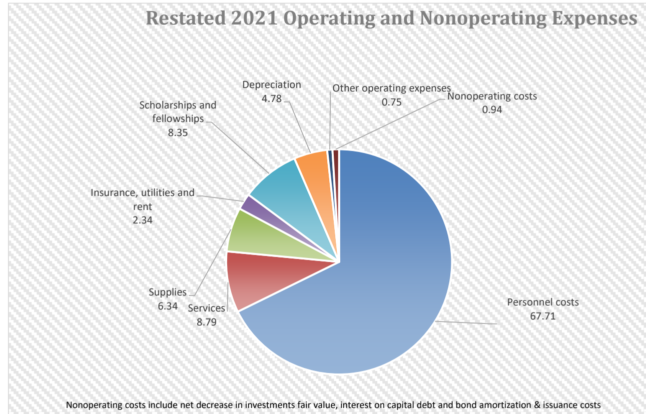
Expenses

Operating expenses consist mainly of employee compensation, supplies and services costs, and student scholarships and fellowships, all of which enable us to carry out the mission of the University. Nonoperating expenses are generally those associated with interest on debt and any loss on disposal of fixed assets. Salaries, wages, and benefits are the major support cost for the University's programs, followed by services and supplies, scholarships, and other operating expenses. The table below compares expenses for fiscal years ending June 30, 2022, 2022, and 2020.

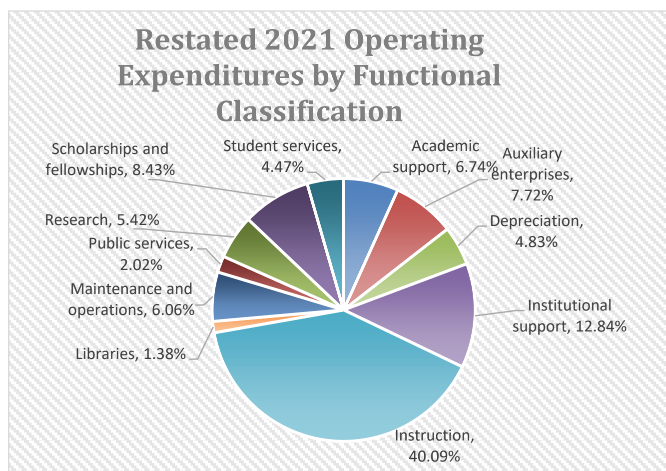
Summary Statement of Expenses

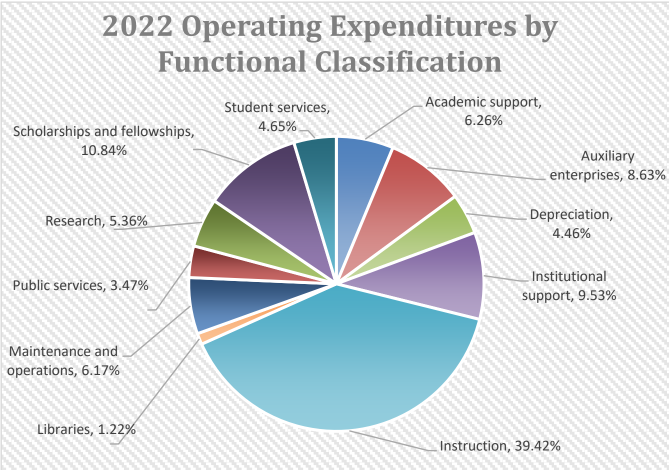
(dollars in thousands) For the Year Ended June 30,	2022	Restated 2021	2022 vs 2021 Change	2020
Operating Expenses				
Personnel costs	$ 175,843	$ 172,541	$ 3,302	$ 176,737
Services	28,983	22,389	6,594	22,397
Supplies	21,104	16,171	4,933	14,253
Insurance, utilities and rent	6,930	5,963	967	6,844
Scholarships and fellowships	30,487	21,277	9,210	15,854
Depreciation expense	12,530	12,186	344	12,379
Other operating expenses	5,371	1,910	3,461	4,572
Total operating expenses	$ 281,248	$ 252,437	$ 28,811	$ 253,036
Nonoperating Expenses				
Amortization expense	$ 546	$ 829	$ (283)	$ 9
Bond issuance costs	-	-	-	-
Interest on capital asset related debt	1,429	1,565	(136)	1,421
Loss on disposal of fixed assets	36	2	34	84
Total nonoperating expenses	$ 2,011	$ 2,396	$ (385)	$ 1,514





An alternative view of operating expenses is by functional (programmatic) classification. Instructional expenses by far comprise the largest single category of operating costs. Fluctuations in expenses for maintenance and operations are largely impacted by noncapitalized facility improvements associated with project expenses that are not capitalized to an asset. The amount varies by year depending on several factors including the types and timing of projects undertaken. See Footnote 13 for additional details regarding functional expenses.





- Operating expenses in fiscal year 2022 increased by $28.8 million. All categories increased as the University returned to pre-covid activity levels. The increase in scholarships is driven by the HEERF grant distribution to students. Operating expenses in fiscal year 2021 decreased from 2020 by $0.6 million.
- Nonoperating expenses driven by interest on capital asset related debt, remained relatively flat year over year. The increase in 2021 over 2020 was due to the 2019 bond issue.

CASH FLOWS

The Statement of Cash Flows presents the inflows and outflows of cash for the year; summarized by operating, noncapital financing, capital and related financing, and investing activities.

The various sources of cash, along with their application and use, are presented in the *Statement of Cash Flows.* This analytical perspective is useful in assessing the ability of the University to satisfy its financial obligations as they come due. The statement classifies the flow of cash in the following four categories.

Operating activities – Displays the net cash flow required to conduct the day-to-day operating activities of the University and reflects the continued need for funding from the state of Idaho.

Noncapital financing activities – Reflects the net cash flow of nonoperating transactions not related to investing or capital financing activities, and includes funds provided by state appropriations.

Capital and related financing activities – Includes payments for the acquisition of capital assets, proceeds from long-term debt, and debt repayment.

Investing activities – Details the funds involved in the purchase and sale of investments and reflects the change in rates of return on invested funds.

The statement summarizes the net cash flow and reconciles to the operating income or loss, as reflected on the *Statement of Revenues, Expenses, and Changes in Net Position*.

A comparative summary of the *Statement of Cash Flows* for the years ended June 30, 2022, 2021, and 2020, is presented below.

Summary Statement of Cash Flows
(dollars in thousands)

For the Year Ended June 30,	2022	2021	2022 vs 2021 Change	2020
Cash and cash equivalents (used in) or provided by:				
Operating activities	$ (124,874)	$(105,297)	$ (19,577)	$ (126,230)
Noncapital financing activities	158,352	137,319	21,033	120,785
Capital and related financing activities	(23,237)	(25,799)	2,562	1,661
Investing activities	(9,970)	47	(10,017)	683
Net increase in cash	271	6,270	(5,999)	(3,101)
Cash and cash equivalents, beginning of year	111,813	105,543	6,270	108,644
Cash and cash equivalents, end of year	$ 112,084	$ 111,813	$ 271	$ 105,543

The 2022 net increase in cash is driven by noncapital financing activities related to HEERF funds offset in part by operating and investing expenditures.

For purposes of the *Statement of Cash Flows*, the University considers all highly liquid investments with an original maturity of three months or less and all nonnegotiable certificates of deposit to be cash equivalents.

CAPITAL ASSET AND DEBT ACTIVITIES

The University considers the effective management of the institution's physical resources as a fundamental element of its financial stewardship, including the prudent use of debt to finance such resources. The development and maintenance of our physical resources is a key factor in creating and sustaining a learning environment that permits education to flourish, but continues to be a challenge due to lack of adequate funding.

Capital Assets

Idaho State University's total capital assets increased by $12.2 million; from $214.9 million to $227.1 million with capital additions outpacing depreciation expense. In 2022, projects related to the EAMS complex renovations, and the Alumni Center (funded primarily by gift revenue) accounted for the majority of the spending.

Capital Assets

(dollars in thousands) For the Year Ended June 30,	2022	2021	2022 vs 2021 Change	2020
Land	$ 10,365	$ 10,365	$ -	$ 10,365
Construction in progress	36,746	39,649	(2,903)	36,050
Buildings, net	154,686	140,688	13,998	130,983
Intangibles, net	719	843	(124)	941
Equipment, net	14,405	13,214	1,191	13,521
Library materials, net	10,176	10,176	-	10,218
Total capital assets, net	$ 227,097	$ 214,935	$ 12,162	$202,078

A summary of changes in capital assets is disclosed in Note 5.

Debt

Total notes and bonds payable decreased by $5.4 million from $42.7 million at June 30, 2022, to $37.3 million at June 30, 2022. The University continues to pay down existing debt according to the debt schedule detailed in the notes of this report.

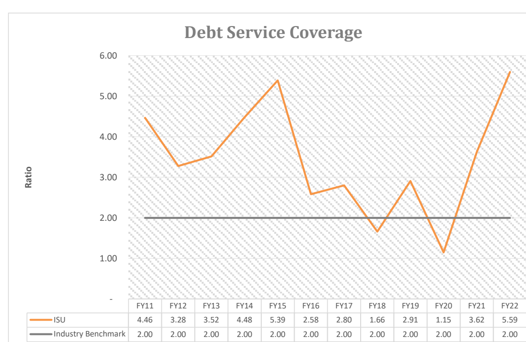
Debt

(dollars in thousands) For the Year Ended June 30,	2022	2021	2022 vs 2021 Change	2020
Notes and bonds payable	$ 37,325	$42,683	$ (5,358)	$ 47,768

A summary of changes in debt is disclosed in Note 7.

Debt Ratios

The debt service coverage ratio provides an indicator of the University's ability to repay annual principal and interest relative to its overall expenses. The graph below shows the University's debt service ratio for the past ten years and indicates the University has sufficient resources to pay its long-term debt obligations. The short term dip below the benchmark reflects the University strategy to utilize reserves as we work to stabilize enrollments and develop a sustainable budget model. The University is required to maintain a pledged revenue to debt coverage ratio of 1.1 - the current ratio is 13.6 as shown on the pledged revenue chart in footnote 7.



ECONOMIC OUTLOOK

Idaho State University has sustained our high-quality academic programs and services during the COVID-19 pandemic by maintaining in-person instruction, investing in distance-learning infrastructure, and carefully managing expenses. Reduced operating revenues and increased expenses related to the pandemic have been largely offset by federal COVID relief funds during fiscal years 2021 and 2022, ameliorating the need to draw down university reserves.

Prior to factoring in COVID relief funds, the university's appropriated budget for FY2022 reflected an initial deficit of $5.64 million. This deficit was driven by multi-year undergraduate enrollment declines, implementation of two year's CEC (change in employee compensation), fringe rate increases, and increased insurance, contract expenses and related operating expenses.

ISU's FY2022 budget plan represents the university's continued commitment and progress toward growth through mission-focused student recruitment and retention; optimization of resources in support of strategic priorities; systems and structures that foster innovation, stewardship, and long-term fiscal sustainability; and trust, transparency, and inclusivity in budget development and administration. Key planning assumptions used for FY2023 include a 2% overall student enrollment increase, aligned with the strategic enrollment management plan and a return to pre-COVID activity levels.

As a result of enrollment growth, modest increases in student tuition and fees, increased state appropriations, and continued cost containment, the university's deficit for FY2023 is conservatively projected at $3.92 million. This represents a cumulative improvement of $7.78 million or 66% from FY2021. The university will cover this deficit as needed through institutional reserves as it continues to focus on long-term strategic growth and fiscal sustainability.

As of 10th day fall term, enrollment is up 2.5%, sustaining enrollment gains from fall 2021.
The State of Idaho ended FY2022 with record surplus reserves of $1.38 billion. State revenues remain strong with FY22 finishing at $6.2 billion against the projection of $5.2 billion. The unemployment rate in Idaho has remained stable near 2.5% approximately 1.2% percentage points lower than the national rate. The State of Idaho's FY2023 budget is based upon conservative revenue projections and lean expenditure budgets which is expected to drive continued financial stability in the state. The strength of Idaho's economy and reserves bolster the outlook for the University.

The audited financial statements included in this report, along with the accompanying notes to the financial statements, provide pertinent information and details related to the financial activities discussed in this analysis.

IDAHO STATE UNIVERSITY
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	Restated 2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 55,031	$ 50,822
Cash with Treasurer	57,053	60,991
Investments	31,208	21,732
Student loans receivable, net	6	5
Accounts receivable and unbilled charges, less allowance for doubtful accounts of $1,837 and $1,880, respectively	22,830	27,454
Due from state agencies	5,783	3,988
Interest receivable	26	26
Inventories	275	600
Prepaid expenses	2,307	2,396
Total current assets	174,519	168,014
NONCURRENT ASSETS:		
Student loans receivable, less allowance for doubtful loans of $285 and $338, respectively	318	388
Lease Receivable	20,599	21,298
Assets held in trust	258	254
Prepaid bond insurance costs	256	268
Capital assets, net	227,097	214,935
Lease asset, net	728	665
Other long-term assets	17,294	13,022
Total noncurrent assets	266,550	250,830
TOTAL ASSETS	441,069	418,844
DEFERRED OUTFLOWS OF RESOURCES		
Deferred cost of refunding	377	473
Deferred outflows	26,229	23,656
Total deferred outflows of resources	26,606	24,129
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 467,675	$ 442,973

IDAHO STATE UNIVERSITY
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	Restated 2021
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 4,978	$ 6,758
Due to state agencies	6	95
Due to federal agencies	884	939
Accrued salaries and benefits payable	13,558	14,942
Compensated absences payable	6,376	6,531
Deposits	310	322
Other liabilities	3,210	4,527
Unearned revenues	11,294	9,917
Accrued interest payable	364	412
Notes and bonds payable	5,300	5,082
Total current liabilities	46,280	49,525
NONCURRENT LIABILITIES:		
Total other post-employment benefits payable (Total OPEB)	30,368	28,292
Pension liability	-	16,885
Asset Retirement Obligation	8,166	8,166
Notes and bonds payable	32,025	37,601
Lease Liability	755	681
Total noncurrent liabilities	71,314	91,625
TOTAL LIABILITIES	117,594	141,150
DEFERRED INFLOWS OF RESOURCES		
Deferred cost of refunding	-	-
Deferred inflows	46,491	29,138
Total deferred inflows of resources	46,491	29,138
NET POSITION:		
Net investment in capital assets	190,405	173,091
Restricted, expendable	15,817	13,723
Unrestricted	97,368	85,871
Total net position	303,590	272,685
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	$ 467,675	$ 442,973

See Accompanying Notes to Financial Statements

IDAHO STATE UNIVERSITY COMPONENT UNIT

IDAHO STATE UNIVERSITY FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	2021
ASSETS		
Cash and cash equivalents	$ 3,243	$ 999
Life insurance cash surrender value	151	147
Promises to give, net	17,850	3,610
Miscellaneous receivables, net	61	44
Advances to related parties	1,188	603
Prepaid expenses	85	93
Donated land held for sale	206	331
Investments held under split interest agreements	2,434	2,998
Investments held for operations	18,962	19,366
Investments held for endowment	73,679	75,190
TOTAL ASSETS	$ 117,859	$ 103,381
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	$ 6	$ 20
Scholarships and other payables to Idaho State University	52	21
Obligations to beneficiaries under split-interest agreements	961	1,022
Funds held in custody for others	1,226	1,199
Long-term debt	3,000	3,000
Total liabilities	5,245	5,262
Net Assets (Deficit)		
Net assets without donor restrictions	3,377	3,951
Net assets with donor restrictions	109,237	94,168
Total net assets	112,614	98,119
TOTAL LIABILITIES AND NET ASSETS	$ 117,859	$ 103,381

See Accompanying Notes to Financial Statements

IDAHO STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	RESTATED 2021
OPERATING REVENUES		
Student tuition and fees (net of scholarship discounts and allowances of $27,057 and $27,984 respectively)	$ 88,465	$ 79,404
Federal grants and contracts	10,577	8,402
State and local grants and contracts	11,300	10,894
Private grants and contracts	7,010	5,776
Sales and services of educational activities	8,018	6,805
Sales and services of auxiliary enterprises	14,148	10,393
Other	8,900	3,756
Total operating revenues	148,418	125,430
OPERATING EXPENSES		
Personnel costs	175,843	172,541
Services	28,983	22,389
Supplies	21,104	16,171
Insurance, utilities and rent	6,930	5,963
Scholarships and fellowships	30,487	21,277
Depreciation	12,530	12,186
Miscellaneous	5,371	1,910
Total operating expenses	281,248	252,437
OPERATING LOSS	(132,830)	(127,007)

IDAHO STATE UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	RESTATED 2021
NONOPERATING REVENUES (EXPENSES)		
State appropriations:		
State general account - general education	84,345	77,968
Endowment income	4,392	4,265
Other state appropriations	6,091	2,781
Career technical education	13,889	11,752
Department of Public Works	0	(198)
Title IV grants, net of expense	14,095	14,144
Other Federal grants	22,824	19,420
Gifts (including $11,263 and $7,312 from the Idaho State University Foundation, respectively)	12,935	9,216
Net investment income	(73)	545
Amortization expense	(546)	(829)
Interest on capital asset related debt	(1,429)	(1,565)
(Loss) on disposal of capital assets	(36)	(2)
Net nonoperating revenues	156,487	137,497
(LOSS) INCOME BEFORE OTHER REVENUES AND EXPENSES	23,657	10,490
OTHER REVENUES (EXPENSES)		
Capital gifts and grants	7,248	4,541
Other expenses	-	-
Net other revenues (expenses)	7,248	4,541
(DECREASE) INCREASE IN NET POSITION	30,905	15,031
SPECIAL ITEMS		
Transfer of Operations	-	663
(DECREASE) INCREASE IN NET POSITION AFTER SPECIAL ITEMS	30,905	15,694
NET POSITION, BEGINNING OF YEAR	272,685	256,991
NET POSITION, END OF YEAR	$ 303,590	$ 272,685

See Accompanying Notes to Financial Statements

IDAHO STATE UNIVERSITY COMPONENT UNIT

IDAHO STATE UNIVERSITY FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

(dollars in thousands)	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND GAINS			
Contributions and gifts	$ 737	$ 28,915	$ 29,652
Donated materials and services	140	-	140
Interest and dividends	554	5,448	6,002
Net realized/unrealized gain (loss) on investments	(1,839)	(6,985)	(8,824)
Fees, charges, and miscellaneous	1,335	-	1,335
Net change in value of split-interest agreements and life insurance	5	(488)	(483)
Donor designated transfers	101	(101)	-
Net assets released from program restrictions	11,720	(11,720)	-
TOTAL SUPPORT, REVENUE, AND GAINS	12,753	15,069	27,822
EXPENSES			
Program Services			
Academic, development and program support	11,263	-	11,263
Endowment and private resource management	9	-	9
Support services			
Management and general	1,244	-	1,244
Fundraising	811	-	811
TOTAL EXPENSES	13,327	-	13,327
CHANGE IN NET ASSETS	(574)	15,069	14,495
NET ASSETS (Deficit), beginning of year	3,951	94,168	98,119
NET ASSETS (Deficit), end of year	$ 3,377	$ 109,237	$ 112,614

See Accompanying Notes to Financial Statements

IDAHO STATE UNIVERSITY COMPONENT UNIT

IDAHO STATE UNIVERSITY FOUNDATION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2021

(dollars in thousands)	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND GAINS			
Contributions and gifts	$ 427	$ 9,527	$ 9,954
Donated materials and services	159	-	159
Interest and dividends	269	1,315	1,584
Net realized/unrealized gain (loss) on investments	1,451	17,090	18,541
Fees, charges, and miscellaneous	1,166	-	1,166
Net change in value of split-interest agreements and life insurance	13	338	351
Donor designated transfers	(5)	5	-
Net assets released from program restrictions	8,794	(8,794)	-
TOTAL SUPPORT, REVENUE, AND GAINS	12,274	19,481	31,755
EXPENSES			
Program Services			
Academic, development and program support	7,312	-	7,312
Endowment and private resource management	37	-	37
Support services			
Management and general	1,341	-	1,341
Fundraising	478	-	478
TOTAL EXPENSES	9,168	-	9,168
Deconsolidation of Subsidiary			
Loss on deconsolidation of subsidiary	(807)	-	(807)
CHANGE IN NET ASSETS	2,299	19,481	21,780
NET ASSETS (Deficit), beginning of year	1,652	74,687	76,339
NET ASSETS (Deficit), end of year	$ 3,951	$ 94,168	$ 98,119

See Accompanying Notes to Financial Statements

IDAHO STATE UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	RESTATED 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Student fees	$ 72,775	$ 58,461
Grants and contracts	31,379	28,231
Sales and services of educational activities	6,232	6,099
Sales and services from auxiliary enterprises	13,337	8,751
Other operating revenue	8,019	3,536
Collection of loans to students	281	203
Payments to and on behalf of employees	(176,301)	(161,216)
Payments to suppliers	(63,614)	(42,336)
Payments for scholarships and fellowships	(16,944)	(6,989)
Loans issued to students	(38)	(37)
Net cash used by operating activities	(124,874)	(105,297)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	108,717	96,567
Title IV grants	13,470	14,648
Federal non-operating grants	22,823	12,835
Gifts	12,422	8,919
Agency receipts	20,852	14,855
Agency payments	(21,530)	(15,143)
Receipts from other sources	(55)	(134)
Direct lending receipts	47,509	53,474
Direct lending payments	(45,856)	(48,702)
Net cash provided by noncapital financing activities	158,352	137,319
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital purchases	(17,473)	(20,572)
Proceeds from sale of assets	-	-
Proceeds from capital debt	-	-
Proceeds from advance refunding of debt	-	-
Cost of issuance for advance refunding bonds	-	-
Transfer of operations	-	370
Principal paid on capital debt	(5,087)	(4,880)
Interest paid on capital debt	(1,637)	(1,808)
Principal paid on lease liability	(329)	(149)
Interest paid on lease liability	(13)	(6)
Principal received on lease receivable	881	872
Interest received on lease receivable	421	374
Amortization and write-off of bond financing	-	-
Net cash used by financing activities	(23,237)	(25,799)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(10,000)	-
Proceeds from sales and maturities of investments	-	-
Investment net of income and expenses	30	47
Net cash used by investing activities	(9,970)	47
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	271	6,270
CASH AND CASH EQUIVALENTS--Beginning of year	111,813	105,543
CASH AND CASH EQUIVALENTS--End of year	$ 112,084	$ 111,813

IDAHO STATE UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

(dollars in thousands)	2022	RESTATED 2021
RECONCILIATION OF NET OPERATING LOSS TO NET CASH AND CASH EQUIVALENTS USED IN OPERATING ACTIVITIES		
Operating Loss	$ (132,830)	$ (127,007)
Adjustments to reconcile net operating loss to net cash used by operating activities		
Depreciation	12,530	12,186
Other	478	305
Change in assets and liabilities		
Accounts receivable, net	1,458	3,488
Lease receivable	(1,450)	(1,263)
Prepaid expenses	89	180
Student loans receivable, net	69	113
Inventory	325	123
Other long-term assets	(1,392)	(603)
Accounts payable and accrued liabilities	(2,159)	2,529
Accrued salaries and benefits payable	(1,539)	3,435
Deposits	29	10
Unearned revenue	1,359	(2,633)
Lease Liability	339	156
Pension liability, deferred inflows and outflows (pensions & opeb)	(2,180)	3,684
Net cash used in operating activities	$ (124,874)	$ (105,297)
NONCASH CAPITAL AND RELATED FINANCING TRANSACTIONS		
Capital assets acquired as a gift	$ 7,248	$ 4,542
Assets acquired through transfer of operations	$ -	$ 726

See Accompanying Notes to Financial Statements

IDAHO STATE UNIVERSITY

Notes to Financial Statements

Years Ended June 30, 2022 and 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Idaho State University (the University) is part of the public system of higher education in the State of Idaho (the State). The system is considered part of the State of Idaho financial reporting entity. The State Board of Education (SBOE), appointed by the Governor and affirmed by the legislature, directs the system. The University is headquartered in Pocatello, Idaho with satellite campuses in Idaho Falls, Meridian, and Twin Falls, Idaho. Significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

The financial reporting entity is reported as Idaho State University in the financial statements. The reporting entity also includes the Idaho State University Foundation, Inc. (the Foundation), which is reported as a discrete component unit in the financial statements. The Foundation was established to provide support for private fundraising efforts of the University and to manage privately donated funds. The Foundation is considered a component unit of the University as defined by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - and amendment of GASB Statements No. 14 and No. 34*. Additional detail and discussion related to the Foundation can be found in Note 16 of this report.

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. 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.

Cash Equivalents

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

Cash with Treasurer

Balances classified as Cash with Treasurer are amounts that are required to be remitted to the State of Idaho as a result of the student fee collection process and, once remitted, these balances are under the control of the State Treasurer. Interest accruing on the balance is maintained in a separate fund and must be appropriated by the legislature before any expenditure can occur.

Investments

The University accounts for its investments at fair value. Investment income is recorded on the accrual basis. Changes in unrealized gains and losses on the carrying value of investments are reported as a component of net investment income in the Statement of Revenues, Expenses, and Changes in Net Position.

Student Loans Receivable

Loans receivable from students bear interest at rates ranging from 3.00% to 5.00% and are generally payable to the University in installments over a 5 to 10 year period, commencing 6 or 9 months after the date of separation from the University.

Accounts Receivable

Accounts receivable consist of fees charged to students as well as auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of Idaho. Accounts receivable also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Inventories

Inventories, consisting primarily of items held by University Stores, are valued at the lower of first-in, first-out ("FIFO") cost or market.

Capital Assets

Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated fair value at date of the gift. The University's capitalization policy includes all 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. Library books and subscriptions with perpetual access are capitalized. 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.

The University houses collections at the Idaho Museum of Natural History that it does not capitalize. 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. The University charges these collections to operations at the time of purchase, in accordance with Generally Accepted Accounting Principles.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 50 years for buildings, 12 to 25 years for land improvements, 10 years for library books, and 5 to 13 years for equipment. Depreciation is not applied to land or construction in progress.

Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The University adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the earliest comparative period presented.

Asset Retirement Obligations (AROs)

An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. AROs result from the normal operations of tangible capital assets and include legally enforceable liabilities associated with the asset's retirement, disposal, and any associated environmental remediation. The University is reporting

ARO's related to radioactive material licenses and nuclear research facilities, as detailed in Note 9 - Asset Retirement Obligations.

Deferred Inflows and Outflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that apply to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred Outflows of Resources

$ in thousands	2022	2021
Pensions	$ 9,551	$ 6,406
Total OPEB	8,541	9,256
SLIRF	840	480
Asset Retirement Obligation (ARO)	7,297	7,514
Total Deferred Outflows of Resources	26,229	23,656

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that apply to a future period and so will not be recognized as an inflow of resources (revenue) until then.

Deferred Inflows of Resources

$ in thousands	2022	2021
Pensions	$ 17,928	$ 1,440
Total OPEB	4,436	5,357
SLIRF	4,015	1,278
Leases	20,112	21,063
Total Deferred Inflows of Resources	46,491	29,138

Unearned Revenues

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year, but related to the subsequent accounting period. Unearned revenues also includes amounts received from grant and contract sponsors that have not yet been earned.

Compensated Absences

Employee vacation pay that is earned but unused is accrued at year-end for financial statement purposes. Amounts included in accrued salaries and benefits payable in the Statement of Net Position are $6.4 million and $6.5 million at June 30, 2022 and 2021, respectively.

Noncurrent Liabilities

Noncurrent liabilities include the principal portions of revenue bonds payable, notes payable with contractual maturities greater than one year, and other post-employment benefits payable.

Net Position

Net position is identified as the residual of all elements presented in the Statement of 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 invested in capital assets, net of related debt.

Restricted, Expendable – Restricted, expendable includes resources, which the University is legally or contractually obligated to use in accordance with restrictions imposed by external third parties.

Unrestricted – Unrestricted includes resources derived from student fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions related to the educational and general operations of the University, and may be used at the discretion of the institution to meet current expenses for any lawful purpose and in accordance with SBOE policy.

When an expense is incurred that can be paid using either restricted or unrestricted resources, restricted resources are generally applied first.

Income and Unrelated Business Income Taxes

The University, as a political subdivision of the State of Idaho, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended. The University is liable for 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. The University did not incur unrelated business income tax expense in the fiscal years ended June 30, 2022 or 2021.

Classification of Revenues

The University has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating Revenues – Operating revenues include activities that have the 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 and federal appropriations, and (4) interest on institutional student loans.

Nonoperating Revenues – Nonoperating revenues include activities that have the characteristics of nonexchange transactions such as gifts and contributions, and other revenue resources defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting,* and GASB Statement No. 34, such as state appropriations and investment income.

Scholarship Discounts and Allowances

Student fee revenues 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 paid by students or other third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants and other federal, state, or nongovernmental programs, are recorded as either operating or nonoperating 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 and allowance.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to or deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total Other Post-Employment Benefits

The State of Idaho administers post-employment benefits for healthcare, disability, and life insurance for retired or disabled employees of State agencies. For purposes of measuring the total OPEB liability and total OPEB expense, information about the net position of the State of Idaho Plan (State Plan) and additions to or deductions from the plan's net position have been determined on the same basis as they are reported by the State Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms, these benefits are funded on a pay-as-you-go basis.

Use of Accounting Estimates

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

Accounting Standards Implemented

In June 2017, GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement is effective for reporting periods beginning after December 15, 2019. The guidance postpones by 18 months the effective date of the pronouncement to reporting periods beginning after June 15, 2021.

In June 2018, GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The guidance postpones by one year the effective date of the pronouncement to reporting periods beginning after December 15, 2020. This statement is currently not applicable to the University.

In October 2021 GASB issued Statement No. 98, The Annual Comprehensive Financial Report. This statement establishes the term annual comprehensive financial report and its acronym ACFR. The new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The university does not currently use either term.

Upcoming Accounting Standards

In May 2019 GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for the reporting periods beginning after December 15, 2020. The guidance postpones by one year the effective date of the pronouncement to reporting periods beginning after December 15, 2021.

In January 2020 GASB issued Statement No. 92, Omnibus 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including requirements related to leases (Statement 87), requirements related to intra-entity transfers (Statements 73 & 74), requirements related to postemployment benefit arrangements (Statement 84) and requirements related to measurement of liabilities and assets associated with AROS. The requirements of this Statement are effective for reporting periods beginning after June 15, 2020. The guidance postpones by one year the effective date of the pronouncement to reporting periods beginning after June 15, 2021.

In March 2020 GASB issued Statement No. 93, Replacement of Interbank Offered Rates. The objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. The guidance postpones by one year the effective date of the pronouncement to reporting periods beginning after June 15, 2021.

In March 2020 GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The guidance postpones by one year the effective date of the pronouncement to reporting periods beginning after June 15, 2023.

In May 2020 GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

In June 2020 GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

In April 2022 GASB issued Statement No. 99, Omnibus 2022. The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022 GASB issued Statement No. 100, Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022 GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

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

Cash with Treasurer, Cash and Cash Equivalents, and Other Deposits

Cash with Treasurer is under the custody of the Idaho State Treasurer and is recorded at fair value, which approximates cost. The University's deposits are maintained in commercial checking accounts which, as of June 30, 2022 and June 30, 2021, have insurance coverage up to $250,000 through the Federal Deposit Insurance Corporation (FDIC). At June 30, 2022 and 2021, total deposits consisted of the following:

(dollars in thousands)	2022	2021
Cash	$ 55,708	$ 53,162
Cash equity with the State Treasurer	57,053	60,991
Total Deposits	$ 112,761	$ 114,153

The deposit amounts subject to custodial credit risk at June 30, 2022 and 2021 consisted of the following:

Basis of Custodial Credit Risk
As of June 30

(dollars in thousands)	2022	2021
Insured	$ 250	$ 250
Uncollateralized	-	-
Collateralized by securities held by the pledging financial institution	55,458	52,912
Total Deposits	$ 55,708	$ 53,162

At June 30, 2022 and 2021, the University had $0.1 million of cash on hand in various change funds. The carrying amount of the University's cash and cash equivalents at June 30, 2022 and 2021, was $112.1 million and $111.8 million, respectively. The net difference between deposits and the carrying amount of cash and cash equivalents is a reflection of deposits in transit, outstanding checks, and investment of the daily float.

Investments

The general investment policy of the University as adopted by the State Board of Education outlines that investments in securities are to be made with the objective of maximizing long-term total return, ensuring safety of principal, and providing satisfactory current income. Investments generally include direct obligations of the U.S. government and its agencies, municipal and corporate bonds, mortgage-backed securities, mutual funds, and certificates of deposit. These securities are recorded at fair value in the Statement of Net Position. Investment income, including change in fair value of investments, is recognized as revenue in the Statement of Revenues, Expenses, and Changes in Net Position.

Investments Measured at Fair Value

Fair Value is described as an exit price. Fair value measurements assume a transaction takes place in a government's principal market or a government's most advantageous market in the absence of a principal market. The fair value also should be measured assuming that general market participants would act in their economic best interest. Fair value does not take into consideration transaction costs. The following tables classify the fair value of the University's investments at June 30, 2022 and 2021, respectively:

(dollars in thousands)	June 30, 2022	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Certificates of deposit	$ 4,418	$ -	$ 4,418	$ -
Debt securities				
Fixed income - Government Bond	18,323	-	18,323	-
Fixed income - Corporate Bonds	8,467	-	8,467	-
Total debt securities	26,790	-	26,790	-
Total investments by fair value	$ 31,208	$ -	$ 31,208	$ -

(dollars in thousands)	June 30, 2021	Fair Value Measurements Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Certificates of deposit	$ 8,897	$ -	$ 8,897	$ -
Debt securities				
Fixed income - Government Bond	7,300	-	7,300	-
Fixed income - Corporate Bonds	5,535	-	5,535	-
Total debt securities	12,835	-	12,835	-
Total investments by fair value	$ 21,732	$ -	$ 21,732	$ -

Certificates of deposit and debt securities classified in Level 2 of the fair value hierarchy are valued using a variety of pricing techniques, including but not limited to fundamental analytical data related to the securities, values of baskets of securities, market interest rates, matrix calculated prices, and purchase price. The University does not hold any securities that would be classified as Level 1, quoted in active markets, or Level 3, significant unobservable inputs, for fair value measurement.

The following table represents the fair value of investments by type and interest rate risk at June 30, 2022 and 2021, respectively:

(dollars in thousands)			Investment Maturities		
Fiscal Year	University Investments	Fair Value	1-3 years	3-5 years	5+ years
2022	Fixed Income - CD	$ 4,418	$ 4,418	$ -	$ -
2022	Fixed Income - Corporate Bonds	8,467	8,467	-	-
2022	Fixed Income - Government	18,323	14,599	3,724	-
		$ 31,208	$ 27,484	$3,724	$ -
2021	Fixed Income - CD	$ 8,897	$ 8,397	$ 500	$ -
2021	Fixed Income - Corporate Bonds	5,535	5,535	-	-
2021	Fixed Income - Government Bonds	7,300	6,808	492	-
		$ 21,732	$ 20,740	$ 992	$ -

Credit Risk

Credit risk is the risk the issuer or other counterparty to an investment will not fulfill its obligation, causing the University to experience a loss of principal, or that negative perceptions of the issuer's ability to make these payments will cause prices to decline. The University does not presently have a formal policy that addresses credit risk.

Fixed income investment ratings as of June 30, 2022 and June 30, 2021, are presented below using credit risk ratings issued upon standards set by Moody's Investors Service. 'Aaa' rated obligations are judged to be of the highest quality, with minimal credit risk. 'Aa' rated obligations are judged to be of high quality and are subject to very low credit risk. 'A' rated obligations are considered upper-medium grade and are subject to low credit risk. Issuers rated 'NP' or 'Not Prime' do not fall within any of the prime rating categories.

(dollars in thousands)				Credit Rating				
Fiscal Year	University Investments	Fair Value	Aaa	Aa	A	Bbb	Bb	NP
2022	Fixed Income - CD	$ 4,417	$ 214	$ 953	$ 1,002	$ 499	$ 250	$ 1,499
2022	Fixed Income - Corporate Bonds	8,468	1,011	1,754	5,703	-	-	-
		$ 12,885	$ 1,225	$2,707	$ 6,705	$ 499	$ 250	$ 1,499

(dollars in thousands)				Credit Rating				
Fiscal Year	University Investments	Fair Value	Aaa	Aa	A	Bbb	Bb	NP
2021	Fixed Income - CD	$ 8,897	$ 4,186	$ 952	$ 1,002	$ 505	$ 250	$ 2,002
2021	Fixed Income - Corporate Bonds	5,535	-	1,726	3,809	-	-	-
		$ 14,432	$ 4,186	$2,678	$ 4,811	$ 505	$ 250	$ 2,002

Credit risk disclosed for Fixed Income – Government Bonds is related to the mutual funds' underlying assets. The mutual fund typically holds most of its exposure in mortgage-backed securities, including collateralized mortgage obligations, issued or guaranteed by U.S. Government agencies or government-sponsored entities. In addition, it targets maintaining an average credit quality rating that is equivalent to the highest rating available from a Nationally Recognized Statistical Rating Organization. According to GASB Statement No. 40, *Deposit and Investment Risk Disclosure,* obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk.

Concentration of Credit Risk

Concentration of credit risk is defined per GASB Statement No. 40 as the risk of loss attributed to the magnitude of an investment in a single issuer other than the federal government. The Governmental Accounting Standards Board has adopted a principle that governments should provide note disclosure when 5 percent of investments are concentrated in any one issuer. At present, the University does not have a formal policy that addresses concentration of risk. As of June 30, 2022 and June 30, 2021, the University has the following concentration of credit risk:

Investment Securities Subject to Concentration of Credit Risk				
	At June 30, 2022		At June 30, 2021	
(dollars in thousands)	Total Fair Value	Percentage of Total Investment	Total Fair Value	Percentage of Total Investments
Federal National Mortgage Association (FNMA)	$ 9,791	31.37%	$2,242	10.32%
Federal Farm Credit Banks Funding Corp (FFCB)	$ 1,933	6.19%	$ 1,747	8.04%
Federal Home Loan Mortgage Corporation (FHLMC)	487	1.56%	1,502	6.91%
Total	$12,211	39.12%	$ 5,491	25.27%

Custodial Credit Risk

Custodial credit risk for investments is defined as the risk that, in the event of a failure of the counterparty to a transaction, the University will not be able to recover the value of its investments that are in the possession of an outside party. The University does not have a policy that specifically addresses custodial credit risk. As of June 30, 2022 and June 30, 2021, all investments were held by the University or its counterparty in the University's name.

Interest Rate Risk

Interest rate risk is the risk the value of fixed income securities will decline because of a change in interest rates. Currently, the University does not have a formal policy that addresses interest rate risk. Interest rate risk disclosed for Fixed Income – Government Bonds is related to the mutual funds' underlying assets.

Foreign Currency Risk

The University does not presently have a policy that addresses foreign currency risk. As of June 30, 2022 and June 30, 2021, all investments held by the University were denominated in U.S. Dollars; therefore, no foreign currency risk needs to be considered at this time.

3. ACCOUNTS RECEIVABLE AND DUE FROM STATE AGENCIES

Accounts receivable and due from state agencies consisted of the following at June 30:

(dollars in thousands)	2022	2021
Accounts receivable	$ 24,668	$ 29,334
Less allowance for doubtful accounts	(1,837)	(1,880)
	22,831	27,454
Due from state agencies	5,783	3,988
Net accounts receivable and Due	$ 28,614	$ 31,442

4. STUDENT LOANS RECEIVABLE

Student loans made through the Federal Perkins Loan Program (the Program) comprise substantially all of the loans receivable at June 30, 2022 and 2021. Under the Program, the federal government provides approximately 75% of the funding for the Program, with the University providing the balance. The Program provides cancellation provisions for borrowers engaging in teaching, public service, service in the military or law enforcement, as well as other disciplines. The Department of Education reimburses the University each year for the principal and interest canceled in its Perkins Loan Fund for all of the cancellation provisions except death, total and permanent disability, and bankruptcy. The U.S. Congress did not renew the Perkins Loan program after September 30, 2017, and no loan disbursements were permitted past June 30, 2018. The University is in the process of collecting outstanding loans and is liable for $0.88 million and $0.9 million as of June 30, 2022 and 2021, respectively.

As the University determines that loans are uncollectible and not eligible for reimbursement by the federal government, the loans are assigned to the U.S. Department of Education. The University has provided an allowance for uncollectible loans, which, in management's opinion, is sufficient to absorb loans that will ultimately be written off. At June 30, 2022 and 2021, the allowance for uncollectible loans was $0.11 million and $0.28 million, respectively.

5. CAPITAL ASSETS

Capital Assets at June 30, consisted of the following:

(dollars in thousands)	Balance June 30, 2020	Additions	Transfer Completed Assets	Retirements	Balance June 30, 2021	Additions	Transfer Completed Assets	Retirements	Balance June 30, 2022
Non-depreciable Capital Assets									
Land	$ 10,365	$ -	$ -	$ -	$ 10,365	$ -	$ -	$ -	$ 10,365
Construction in progress	36,050	19,360	(15,761)	-	39,649	17,619	(20,522)	-	36,746
Total Non-depreciable Capital Assets	46,415	19,360	(15,761)	-	50,014	17,619	(20,522)	-	47,111
Depreciable Capital Assets									
Buildings and improvements	266,542	77	15,761	-	282,380	-	20,522	-	302,902
Intangibles	2,215	12	-	-	2,227	-	-	-	2,227
Furniture, fixtures and equipment	60,605	3,291	-	(1,039)	62,857	4,767	-	(1,457)	66,167
Library materials	69,280	2,306	-	-	71,586	2,342	-	-	73,928
Total Depreciable Capital Assets	398,642	5,686	15,761	(1,039)	419,050	7,109	20,522	(1,457)	445,224
Less accumulated depreciation and amortization:									
Buildings and improvements	(135,559)	(6,132)	-	-	(141,691)	(6,525)	-	-	(148,216)
Intangibles	(1,274)	(111)	-	-	(1,385)	(123)	-	-	(1,508)
Furniture, fixtures and equipment	(47,084)	(3,596)	-	1,037	(49,643)	(3,540)	-	1,421	(51,762)
Library materials	(59,062)	(2,348)	-	-	(61,410)	(2,342)	-	-	(63,752)
Total accumulated depreciation and amortization	(242,979)	(12,187)	-	1,037	(254,129)	(12,530)	-	1,421	(265,238)
Total Depreciable Capital Assets,Net	155,663	(6,501)	15,761	(2)	164,921	(5,421)	20,522	(36)	179,986
Capital Assets Summary									
Non-depreciable Capital Assets	46,415	19,360	(15,761)	-	50,014	17,619	(20,522)	-	47,111
Depreciable Capital Assets	398,642	5,686	15,761	(1,039)	419,050	7,109	20,522	(1,457)	445,224
Capital assets	445,057	25,046	-	(1,039)	469,064	24,728	-	(1,457)	492,335
Less accumulated depreciation and amortization	(242,979)	(12,187)	-	1,037	(254,129)	(12,530)	-	1,421	(265,238)
Capital assets, net	$ 202,078	$ 12,859	$ -	$ (2)	$ 214,935	$ 12,198	$ -	$ (36)	$ 227,097

The Performing Arts Center was constructed by the Foundation with contributions and the proceeds from the Foundation's Multi-Mode Variable Rate Revenue Bond, issued in 2001. The facility was constructed on land leased by the Foundation from the University for $1 a year for a 20 year term. The land and improvements were, in turn, leased back to the

University for $1 a year for 20 years, with a provision that title to the improvements transfers to the University at the earlier of the end of the lease or retirement of the bonds. The excess of the fair value of the improvements (i.e., cost) over the gross rents payable by the University were recorded as an asset of the University in recognition of the permanent transfer of rights of use to the University for only nominal consideration.

In addition to accounts payable for construction in progress, the estimated cost to complete property authorized or under construction at June 30, 2022, is $61.3 million, and $37.2 million at June 30, 2021. The financing of these costs are covered by available resources of Idaho State University and DPW funding commitments.

6. UNEARNED REVENUES

Unearned revenues consist of the following at June 30:

(dollars in thousands)	**2022**	**2021**
Student Fees	$ 4,800	$ 4,778
Auxiliary enterprises and other	4,155	3,362
Grants and contracts	2,340	1,756
Other ticket sales	-	21
Total Unearned Revenue	$ 11,295	$ 9,917

7. NONCURRENT LIABILITIES

Notes and bonds payable, which were used to acquire capital assets, consisted of the following at June 30:

(dollars in thousands) Description	Balance Outstanding 6/30/2020	Additions	Reductions	Balance Outstanding 6/30/2021	Additions	Reductions	Balance Outstanding 6/30/2022	Amounts Due Within One Year
General Revenue Bonds, Series 2004C (original balance of $2.305,000), consisting of term bonds payable in annual amounts increasing periodically from $95,000 to a maximum of $190,000, plus interest of 4.880% through the year 2022. All bonds are collateralized by certain student fees and other revenues.	335	-	(190)	145	-	(145)	-	-
General Revenue Bonds, Series 2006 (original balance of $10,000,000), consisting of term bonds payable in annual amounts increasing periodically from $320,000 to a maximum of $805,000, plus interest of 5.260% through the year 2028. All bonds are collateralized by certain student fees and other revenues.	5,410	-	(560)	4,850	-	(590)	4,260	620
General Revenue Refunding Bonds, Series 2012 (original balance of $27,530,000), consisting of serial bonds payable in annual amounts increasing periodically from $965,000 to a maximum of $3,470,000, plus interest from 2.00% to 4.00% through the year 2023. All bonds are collateralized by certain student fees and other reve	9,650	-	(3,020)	6,630	-	(3,160)	3,470	3,470
General Revenue Refunding Bonds, Series 2016 (original balance of $12,780,000), consisting of serial bonds payable in annual amounts from $300,000 to a maximum of $1,250,000, plus interest from 2.00% to 5.00% through the year 2034. All bonds are collateralized by certain student fees and other revenues.	10,640	-	(760)	9,880	-	(795)	9,085	835
General Revenue Refunding Bonds, Series 2019 (original balance of $18,700,000), consisting of serial bonds payable in annual amounts from $350,000 to a maximum of $1,060,000, plus interest of 3.00% through the year 2049. All bonds are collateralized by certain student fees and other revenues.	18,700	-	(350)	18,350	-	(360)	17,990	375
Streeper Note Payable, Bengal Pharmacy, (assumed in transfer-of-operations on 6/30/21), 6.00% interest until May 2024	-	98	-	98	-	(38)	60	-
	44,735	98	(4,880)	39,953	-	(5,088)	34,865	5,300
Premium on bonds	3,063	-	(306)	2,757	-	(273)	2,484	-
Discount on bonds	(30)	-	3	(27)	-	3	(24)	-
Totals	$ 47,768	$ 98	$ (5,183)	$ 42,683	$ -	$ (5,358)	$ 37,325	$ 5,300

Principal and interest maturities on notes and bonds payable in future periods for the year ending June 30, 2022, are as follows:

(in thousands)	Bonds		Notes	
	Principal	Interest	Principal	Interest
2023	5,300	1,448	-	-
2024	2,135	1,219	60	4
2025	2,245	1,115	-	-
2026	2,350	1,005		
2027	2,455	902		
2028-2032	6,230	3,422		
2033-2037	3,620	2,481		
2038-2042	3,710	1,757		
2043-2047	4,670	798		
2048-2049	2,090	95		
TOTALS	$ 34,805	$ 14,242	$60	$4

A. General Revenue Bonds
No new general revenue bonds were issued during fiscal year 2022. The University issued new general revenue bonds during fiscal year 2023 in September 2022.

Pledged Revenue — Current outstanding issuances are 2006, 2012, 2016, and 2019. The University has pledged certain revenues as collateral for these bonds.

(dollars in thousands)	2022		2021	
	Revenue Bonds			
Pledged Revenues	Series 2004C, 2006, 2012, 2016, and 2019			
Net Student tuiton and fees	$	88,465	$	79,404
Sales and Services Revenues		22,165		17,199
Other Operating Income		8,900		3,895
Investment Income		(73)		144
Total Pledged Revenues	$	119,457	$	100,642
Less: Operation and Maintenance Expenses		(28,458)		(24,006)
Revenues Available for debt Service	$	90,999	$	76,636
Debt service	$	6,685	$	6,688
Pledged revenue to debt coverage		13.6		11.5
Coverage requirement		1.1		1.1

In connection with the issuance of the 2019 Bonds, the 2019 Supplemental Resolution amends the Resolution to add other University revenues to Pledged Revenues. Pledged Revenues now includes: (i) Net Student Tuition and Fees; (ii) Sales and Services Revenues; (iii) various revenues generated from miscellaneous sources, including non-auxiliary advertising, vending in non-auxiliary buildings, postage, and printing, but excluding general account appropriated funds (the "Other Operating Revenues"); (iv) income generated on investment moneys in all funds and accounts of the University (the "Investment Income"); (v) proceeds from the sale of a Series of Bonds and money and investment earnings thereon except as otherwise provided in the Resolution or a supplemental resolution; and (vi) such other revenues as the Board shall designate as Pledged Revenues.

In conjunction with the additions to Pledged Revenues, the University is changing the definitions of the components of Pledged Revenues to match the descriptions of revenue sources in the University's audited financial statements. Using the revenue sources outlined in the financial statements will simplify tracking and reporting of Pledged Revenues.

8. LEASES

LESSOR: A summary of the Entity's lease terms and interest rates is as follows:

Building and office space leases. Annual installments totaling $1.0 million plus interest at rates ranging from 0.6% to 2.236%, due dates ranging from 7/31/2023 to 7/31/2103.

Land leases. Annual installments totaling $0.2 million plus interest at rates ranging from 1.736% to 2.236%, due dates ranging from 9/28/2038 to 11/13/2078.

Certain leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases.

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

(in thousands)	Governmental Activities		
	Principal	Interest	Total
2023	$ 903	$ 386	$ 1,289
2024	906	376	1,282
2025	919	367	1,286
2026	936	357	1,293
2027	942	347	1,289
2028-2032	1,540	1,639	3,179
2033 and thereafter	14,454	11,401	25,855
Total minimum lease payments	$ 20,600	$ 14,873	$ 35,473

Certain leases contain provisions whereby lessees may terminate or abate lease payments but are still required to cover the debt service on the revenue bonds until the bond is paid in full since the lease payments are security for the debt service.

LESSEE: A summary of the Entity's lease terms and interest rates is as follows:

Leases with options to purchase equipment. Annual installments totaling $0.1 million plus interest at rates ranging from 0.521% to 1.177%, due dates ranging from 8/12/2021 to 3/31/2026.

Building and office space leases. Annual installments totaling $0.2 million plus interest at rates ranging from 0.529% to 1.804%, due dates ranging from 8/12/22 to 8/10/2031.

Land leases. Annual installments totaling $0.03 million plus interest at rates ranging from 0.822% to 1.736%, due dates ranging from 5/31/2026 to 7/13/2037.

Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases.

Total future minimum lease payments under lease agreements are as follows:

(in thousands)	Governmental Activities		
	Principal	Interest	Total
2023	$ 285	$ 8	$ 293
2024	143	6	149
2025	58	5	63
2026	47	4	51
2027	25	3	28
2028-2032	120	12	132
2033 and thereafter	77	4	81
Total minimum lease payments	$ 755	$ 42	$ 797

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

		Governmental Activities
Equipment	$	191
Buildings		643
Land		326
Less: accumulated amortization		(432)
Total	$	728

9. ASSET RETIREMENT OBLIGATIONS

GASB Statement No.83 Certain Asset Retirement Obligations (ARO) requires recognition of the obligation occur when the liability is both incurred and reasonably estimable. This liability is reported based on the best estimate using all available evidence of the current value of outlays expected to be incurred.

The University has identified several legally enforceable liabilities associated with the retirement of tangible capital assets due to nuclear decommissioning requirements. As of June 30, 2022 the University has recorded an asset retirement obligation of $8,165,580. The remaining useful life of the assets with retirement obligations are: nuclear reactor 47 years, EAMES building 38.92 years, CAES building 36.5 years, Idaho Accelerator Center 27.5 years.

Nuclear radiation center - The Nuclear Regulatory Commission requires a decommissioning report valuing the cost of decommissioning the nuclear radiation centers. The University is reporting ARO's related to radioactive material licenses and nuclear research facilities.

10. OPTIONAL RETIREMENT PLANS AND TERMINATION PAYMENTS

Optional Retirement Plan – Effective July 1, 1990, the Idaho State Legislature authorized the Idaho State Board of 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. The employee contribution requirement for the ORP is based on a percentage of the total payroll. Employer contributions are determined by the State of Idaho. The plan provisions were established by, and may be amended by, the State of Idaho.

New faculty and exempt employees hired on or after July 1, 1990, automatically enroll in the ORP and select a vendor option. Faculty and exempt employees hired before July 1, 1990, had a one-time opportunity to enroll in the ORP. Enrollees in the ORP no longer belong to PERSI. Vendor options in the ORP include the *TIAA - College Retirement Equities Fund* and the *Variable Annuity Life Insurance Company (VALIC)*.

Participants are immediately fully vested in the ORP. Retirement benefits are available as either a lump sum or any portion thereof upon attaining 55 years of age.

Contributions required and paid are as follows:

(dollars in thousands)	2022	2021	2020
University contributions required and paid	$ 8,034	$ 7,588	$ 7,805
Employee contributions	6,050	5,715	5,878
Total Contribution	$14,084	$13,303	$13,683
University required contribution rate	9.25%	9.26%	9.24%
Employee contribution rate	6.97%	6.97%	6.96%

Although enrollees in the ORP no longer belong to PERSI, the University is required to contribute a percentage of the annual covered payroll to PERSI. The contribution rate for 2022 and 2021 was 1.49%. In addition, the payoff period of the unfunded liability obligation was extended from July 1, 2015, to July 1, 2025. During the years ended June 30, 2022 and 2021, supplemental funding payments to PERSI were $1.2 million and $1.2 million, respectively. These amounts are not included in the regular University PERSI contribution discussed previously.

Supplemental Retirement Plans – Full and Part-Time benefited 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 benefited 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 119 employees contributed to this plan during the fiscal year ended June 30, 2022. Approximately 99 employees contributed to this plan during the fiscal year ended June 30, 2021.

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 56 employees contributed to this plan during the fiscal year ended June 30, 2022. Approximately 52 employees contributed to this plan during the fiscal year ended June 30, 2021.

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 150 employees contributed to this plan during the fiscal year ended June 30, 2022. Approximately 150 employees contributed to this plan during the fiscal year ended June 30, 2021.

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 by employee post-tax contributions. Approximately 49 employees contributed to this plan during the fiscal year ended June 30, 2022. Approximately 46 employees contributed to this plan during the fiscal year ended June 30, 2021.

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 contributions from the employees and the respective institutions, as set forth in Appendix A to the Plan document and as administered by the Idaho State Board of Education.

Supplemental Retirement Plan Contributions as of June 30, 2022:

(dollars in thousands)	401(k) - PCP	403(b)	457(b)	Roth 403(b)	Supplemental 403(b)
Employee contributions	$ 304	$ 1,250	$ 655	$ 266	$ -
University contributions	N/A	N/A	N/A	N/A	-

Supplemental Retirement Plan Contributions as of June 30, 2021:

(dollars in thousands)	401(k) - PCP	403(b)	457(b)	Roth 403(b)	Supplemental 403(b)
Employee contributions	$ 286	$ 1,229	$ 622	$ 235	$ -
University contributions	N/A	N/A	N/A	N/A	-

Termination Payments – Employees who qualify for retirement under PERSI or ORP are eligible to use 50% of the cash value of their unused sick leave to continue their medical insurance coverage through the University. The University partially funds these obligations by depositing 0.65% of employee gross payroll to PERSI, who administers the plan for all participating ISU employees and retirees under a trust fund. The total contributions for the years ended June 30, 2022 and 2021, were $0 [contribution holiday from the state due to the significant asset balance] and $0.0 million, respectively.

11. PENSION PLAN

Plan Description

The University contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board. Changes to the Base Plan benefit structure may only be authorized by the State of Idaho Legislature.

Employee membership data related to the PERSI Base Plan, as of June 30 was as follows:

	2021	2020
Retirees and beneficiaries currently receiving benefits	50,891	49,573
Terminated employees entitled to but not yet receiving benefits	14,539	13,788
Active plan members	73,563	73,657
Total	138,993	137,018

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits upon reaching five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon reaching attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation and earnings from investments. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by State statute at 60% of the employer rate. As of June 30, 2021, and June 30, 2020, the employee rate was 7.16% for general employees. The employer contribution rate is set by the Retirement Board and was 11.94% for general employees in both 2021 and 2020. The University's contributions for the year ended June 30, 2022 and June 30, 2021 were $2.972 million and $2.865 respectively.

Pension Liabilities (Assets), Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2022 and June 30, 2021, the University reported an asset of ($0.5) million and a liability of $16.0 million for its proportionate share of the net pension liability (asset), respectively. At June 30, 2022, the net pension liability (asset) was measured as of July 1, 2021 and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. At June 30, 2021, the net pension liability was measured as of July 1, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The University's proportion of the net pension liability (asset) was based on the University's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021 and 2020, the University's proportion was 0.643 and 0.727 percent, respectively. Since the prior measurement date, the University's proportion of the collective net pension liability decreased by 0.084 percent.

For the year ended June 30, 2022 and June 20, 2021, the University recognized pension expense reduction of $4.0 million and $2.6 million, respectively.

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

$ in thousands	Outflows of Resources	Deferred Inflows of Resources
Changes for the Year		
Differences between expected and actual experience	$ (571)	$ (256)
Changes in assumptions or other inputs	$ 2,679	$ -
Net difference between projected and actual earnings on pension plan investments	$ (1,935)	$ 15,953
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	791
Total Changes (prior to post-measurement date contributions)	173	16,488
Beginning Balances, June 30 2021	6,406	1,440
Ending Balance, June 30, 2022 before subsequent contributions	$ 6,578	$ 17,928
University contributions subsequent to the measurement date	2,972	-
Total Changes	3,145	16,488
Ending Balance, June 30, 2022 before subsequent contributions	$ 9,551	$ 17,928

At June 30, 2021, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

$ in thousands	Outflows of Resources	Deferred Inflows of Resources
Changes for the Year		
Differences between expected and actual experience	$ 524	$ (457)
Changes in assumptions or other inputs	$ (3,282)	$ -
Net difference between projected and actual earnings on pension plan investments	$ 1,935	$ (2,916)
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	(270)
Total Changes (prior to post-measurement date contributions)	(823)	(3,643)
Beginning Balances, June 30 2020	4,363	5,083
Ending Balance, June 30, 2021 before subsequent contributions	$ 3,540	$ 1,440
University contributions subsequent to the measurement date	2,866	-
Total Changes	2,042	(3,643)
Ending Balance, June 30, 2021 before subsequent contributions	$ 6,406	$ 1,440

At June 30, 2022 and June 30, 2021 deferred outflows of resources of $2.972 million and $2.866 million, respectively related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability.

The amortization period is based on the remaining expected service lives of all employees that are provided with pensions through the System determined at the beginning of the measurement period. The amortization period was calculated at 4.6 years for 2022 and 4.7 years for 2021. The amortization of the net difference between projected and actual investment earnings on pension plan investments is amortized over a closed 5-year period inclusive of this fiscal year. The amount reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

(dollars in thousands) Years ended June 30:	FY 2022 Pension Expense (Revenue) due to Amortizations	FY 2021 Pension Expense (Revenue) due to Amortizations
2022		$55
2023	($2,914)	$639
2024	($2,481)	$499
2025	($2,191)	$968
2026	($3,763)	($61)
	($11,349)	$2,100

Actuarial Assumptions

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement for the calculations presented in 2022:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	6.35%, net
Cost-of-living adjustments	1%

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. The rates were adopted for the valuation dated July 1, 2021.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach, which builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of the System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Assumption and Policy for Asset Allocation - Base Plan Fiscal Year 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometic) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			2.30%
Long-Term Expected Rate of Return, Net of Investment Expenses			**6.35%**

The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement for the calculations presented in 2021:

Inflation	3.00%
Salary increases including inflation	3.75%
Investment rate of return	7.05%, net
Cost-of-living adjustments	1%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach, which builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of the System's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Assumption and Policy for Asset Allocation - Base Plan Fiscal Year 2020

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-Term (Geometic) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses		5.85%	3.49%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-Term Expected Rate of Return, Net of Investment Expenses			**7.05%**

Discount Rate

The discount rate used to measure the total pension liability was 6.35% in 2022 and 7.05% in 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35% for June 30, 2022 and 7.05% for June 30, 2021, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Sensitivity Analysis as of June 30, 2022

$ in thousands	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$ 17,656	$ (508)	$ (15,397)

Sensitivity Analysis as of June 30, 2021

$ in thousands	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	$ 34,627	$ 16,885	$ 2,216

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

Payables to the pension plan

At June 30, 2022 and June 30, 2021 the University reported payables to the defined benefit pension plan of $0.271 million and $0.235 million for legally required employer contributions and no payables to report for legally required employee contributions, which had been withheld from employee wages but not yet remitted to PERSI.

12. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Significant Changes

There have been significant changes between the valuation date and measurement date. The retiree healthcare claims were higher than expected. This caused a liability increase for retiree healthcare and LTD healthcare and is reflected as an economic/demographic change.

Effective July 1, 2020, the LTD Waiver of life premiums for employees disabled prior to July 1, 2012 is no longer included due to a change from self-insured to insured. Since they are now insured as allocated insurance contracts whereby irrevocable payments to Principal are used to purchase LTD Life and LTD Income benefits for individual employees, LTD Life and LTD Income sections are not included in this report.

Effective July 1, 2021, the Department of Labor Life benefit will no longer be offered to participants who retire after July 1, 2021. Department of Labor members who have terminated but previously could have been eligible for life benefits upon retirement, will no longer be eligible for life benefits if they retire after July 1, 2021.

Summary of Plans

The University participates in other postemployment benefit plans relating to healthcare, disability, and life insurance for retired or disabled employees administered by the State of Idaho as agent multiple-employer defined benefit plans. The Life Insurance benefit is a multiple-employer defined benefit plan. Idaho Code, Sections 67-5760 to 67-5768 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, 2020. The 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 from the Office of the Idaho State Controller, 700 W State Street, 4th Floor, P.O. Box 83720, Boise, ID 83720-0011 www.sco.idaho.gov.

The Public Employee Retirement System of Idaho (PERSI) administers the Sick Leave Insurance Reserve Fund (SLIRF) which is subject to the guidance of GASB Statements No. 74, 75, and 85.

Plan Descriptions and Funding Policy

Retiree Healthcare Plan – A retired employee of the University who receives monthly retirement benefits from the Public Employee Retirement System of Idaho (PERSI) may elect to purchase the retiree health insurance coverage for themselves and eligible dependents. Additionally, the retiree must be under age 65, receiving monthly PERSI pension benefits at the time of retirement, and must have 10 or more years (20,800 or more hours) of credited service. An officer or employee must have been an active employee on or before June 30, 2009, and must retire directly from state service. 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 benefit is at least $1,860 per retiree per year. The retired plan members contribution percentage of the total premium cost decreased from 70.5 percent in 2020 to 69.4 percent in 2021. In 2021, employers were charged $11.04 per active employee per month towards the retiree premium cost, or 30.6 percent of the total cost of the retiree plan, compared to $11.04 per active employee per month or 29.5 percent of the total cost of the retiree plan in 2020.

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

For up to 6 months following the date of disability an employee may continue healthcare coverage under this plan. The employer's share of the premium is paid from the Office of Group Insurance reserve. The employee is required to pay the normal active employee contribution to the plan and rate category for which the employee is enrolled. In fiscal years 2020 and 2021, employers were not charged to fund the reserve, as the medical continuation premiums were paid from the excess reserve.

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. Prior to July 1, 2020, the State was self-insured for employees who became disabled prior to July 1, 2003; the State paid 100 percent of the cost of this benefit. Effective July 1, 2020, employees disabled prior to July 1, 2003 who were included in previous valuations will no longer be included due to a change from self-insured to insured. All employees disabled on or after July 1, 2003 have an insured benefit and are not subject to GASB 75, because premium payments are made before a disabled member's separation from employment. The amount of the contribution is based on active claims and the number of insured individuals.

Principal Life Insurance Company insures employees disabled on or after July 1, 2003, and the obligation for the payment of income benefits has been effectively transferred. The University pays 100 percent of the cost of the premiums. 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, the plan provides a $2,000 life insurance benefit for spouses and a $1,000 life insurance benefit 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 cost; the contribution is actuarially determined based on actual claims experience.

Principal Life Insurance Company insures employees disabled on or after July 1, 2012, 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.

Summary of Significant Accounting Policies

The financial statements of OPEB plans are reported using the accrual basis of accounting. Contributions are recorded when earned and expenses, including benefits and refunds paid, are recorded when a liability is incurred, regardless of the timing of cash flows.

Actuarial Assumptions

The last actuarial valuation was performed as of July 1, 2020, for the Retiree Healthcare, Long-Term Disability and Retiree Life Insurance plans.

There have been significant changes between the Valuation Date and Measurement Date. Effective July 1, 2020, the LTD Waiver of life premiums for employees disabled prior to July 1, 2012 is no longer included due to a change from self-insured to insured. Effective July 1, 2020, the LTD Income benefits for employees disabled prior to July 1, 2003 is also no longer included due to a change from self-insured to insured.

The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Assumptions for Plan Year 2021

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Long-Term Disability Plan Life Insurance	Long-Term Disability Plan Income	Life Insurance Plan
Inflation	2.20%	2.20%	NA	NA	2.20%
Salary Increases	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity	NA	NA	2.95% general wage growth plus increases due to promotions and longevity
Discount Rate	2.16%	2.16%	NA	NA	2.16%
Healthcare Cost Trend Rates	7.9% claims and 3.9% premiums from year ending June 30, 2021 to year ending June 30, 2022 grading to an ultimate rate of 3.7% for 2075 and later years	7.9% claims and 3.9% premiums from year ending June 30, 2021 to year ending June 30, 2022 grading to an ultimate rate of 3.7% for 2075 and later years	NA	NA	NA
Retirees' Share of Benefit-Related Costs	70.5% of projected health insurance premiums for retirees	NA	NA	NA	NA

Actuarial Assumptions for Plan Year 2020

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Long-Term Disability Plan Life Insurance	Long-Term Disability Plan Income	Life Insurance Plan
Inflation	2.20%	2.20%	2.20%	2.20%	2.20%
Salary Increases	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity
Discount Rate	2.21%	2.21%	2.21%	2.21%	2.21%
Healthcare Cost Trend Rates	7.9% claims and 3.9% premiums from year ending June 30, 2021 to year ending June 30, 2022 grading to an ultimate rate of 3.7% for 2075 and later years	7.9% claims and 3.9% premiums from year ending June 30, 2021 to year ending June 30, 2022 grading to an ultimate rate of 3.7% for 2075 and later years	NA	NA	NA
Retirees' Share of Benefit-Related Costs	70.5% of projected health insurance premiums for retirees	NA	NA	NA	NA

Mortality Rates

Mortality Rates for the plans were based on the RP-2000 Mortality for Employees, healthy Annuitants, and Disabled Annuitants with generational projection per Scale AA with adjustments.

Discount Rate

For the plan year ended June 30, 2021 and June 30, 2020, the discount rate of 2.16% and 2.21%, respectively to measure the total OPEB liability. The discount rate was based on 20-year Bond Buyer Go Index.

Total Other Post-Employment Benefit (OPEB) Liability, Expense and Deferrals

The total OPEB liability components of the measurement date of June 30, 2021 (Beginning Balances) and changes in OPEB liability for the fiscal year ended June 30, 2022 (dollars in thousands):

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Long-Term Disability Plan Life Insurance	Long-Term Disability Plan Income	Life Insurance Plan	Total
Changes for the Year						
Service Cost	$ (57)	$ (16)	$ -	$ -	$ (1,222)	$ (1,295)
Interest on Total OPEB Liability	(32)	(2)	-	-	(615)	(649)
Plan Changes	-	-	-	-	-	-
Economic/Demographic Gains (Losses)	(293)	-	-	-	-	(293)
Assumption Changes	38	3	-	-	(391)	(350)
Expected Benefit Pmts	138	11	-	-	362	511
Net Changes	(206)	(4)	-	-	(1,866)	(2,076)
Total OPEB Liabiliy, Beginning Balance	(1,501)	(92)	-	-	(26,699)	(28,292)
Total OPEB Liabiliy, Ending Balance	$ (1,707)	$ (96)	$ -	$ -	$ (28,565)	$ (30,368)

The total OPEB liability components of the measurement date of June 30, 2020 (Beginning Balances) and changes in OPEB liability for the fiscal year ended June 30, 2021 (dollars in thousands):

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Long-Term Disability Plan Life Insurance	Long-Term Disability Plan Income	Life Insurance Plan	Total
Changes for the Year						
Service Cost	$ (106)	$ (18)			$ (769)	$ (893)
Interest on Total OPEB Liability	(91)	(4)	(5)	(4)	(782)	(886)
Plan Changes	-	-	144	110	-	254
Economic/Demographic Gains (Losses)	1,513	13			2,412	3,938
Assumption Changes	(43)	11	27	20	(5,994)	(5,979)
Expected Benefit Pmts	271	22	30	23	466	812
Net Changes	1,544	24	196	149	(4,667)	(2,754)
Total OPEB Liabiliy, Beginning Balance	(3,045)	(116)	(196)	(149)	(22,032)	(25,538)
Total OPEB Liabiliy, Ending Balance	$ (1,501)	$ (92)	$ -	$ -	$ (26,699)	$ (28,292)

OPEB expense and deferrals for the year ended June 30, 2022 (dollars in thousands):

Increase (Decrease)

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
OPEB Expense	$ (170)	$ 11	$ -	$ -	$ 2,030	$ 1,870

Increase (Decrease)

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
Deferred Outflows						
Beginning Balance, June 30, 2021	$ 1,438	$ 69	$ -	$ -	$ 7,748	$ 9,256
Changes for the Year						
Prior year contributions subsequent to the measurement date	(202)	(3)	-	-	(252)	(457)
Difference between Expected & Actual Experience	243	(10)	-	-	-	233
Changes of Assumptions	(227)	(1)	-	-	(547)	(775)
Changes in Proportion	(75)	(3)			(69)	(147)
Benefit Payments Subsequent to the Measurement Date	149	3	-	-	279	431
Ending Balance, June 30, 2022	$ 1,326	$ 55	$ -	$ -	$ 7,159	$ 8,541
Deferred Inflows						
Beginning Balance, June 30, 2021	$ (2,140)	$ (47)	$ -	$ -	$ (3,170)	$ (5,357)
Changes for the Year						
Difference between Expected & Actual Experience	296	2	-	-	293	591
Changes of Assumptions	171	5	-	-	107	283
Change in Proportion	22	-	-	-	25	47
Ending Balance, June 30, 2022	$ (1,651)	$ (40)	$ -	$ -	$ (2,745)	$ (4,436)

OPEB expense and deferrals for the year ended June 30, 2021 (dollars in thousands):

Increase (Decrease)

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
OPEB Expense	$ (292)	$ 10	$ (163)	$ (124)	$ 1,613	$ 1,044

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
Deferred Outflows						
Beginning Balance, June 30, 2020	$ 1,378	$ 90	$ 33	$ 25	$ 2,495	$ 4,021
Prior period subsequent contributions adjustment	66	13	(3)	(2)	226	300
Changes for the Year						
Prior year contributions subsequent to the measurement date	(271)	(22)	(30)	(23)	(466)	(812)
Difference between Expected & Actual Experience	-	(17)	-	-	-	(17)
Changes of Assumptions	138	5	-	-	5,368	5,511
Changes in Proportion	(75)	(3)			(127)	(205)
Benefit Payments Subsequent to the Measurement Date	202	3	-	-	252	458
Ending Balance, June 30, 2021	$ 1,438	$ 69	$ -	$ -	$ 7,748	$ 9,256
Deferred Inflows						
Beginning Balance, June 30, 2020	$ (827)	$ (35)	$ -	$ -	$ (970)	$ (1,832)
Changes for the Year						
Difference between Expected & Actual Experience	(1,248)	(12)	-	-	(2,111)	(3,371)
Changes of Assumptions	263	9	-	-	116	388
Change in Proportion	(328)	(9)	-	-	(205)	(542)
Ending Balance, June 30, 2021	$ (2,140)	$ (47)	$ -	$ -	$ (3,170)	$ (5,357)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as OPEB expense (revenue) as follows (dollars in thousands):

Expense (Revenue) (dollars in thousands)

Fiscal Year	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
2023	$ (174)	$ 4	$ -	$ -	$ 582	$ 412
2024	(174)	4	-	-	582	412
2025	(20)	4	-	-	582	566
2026	(138)	5	-	-	582	449
2027	32	-	-	-	645	677
2028	-	(3)	-	-	1,178	1,175
2029	-	(1)	-	-	(18)	(19)
2030	-	-	-	-	-	-
2031	-	-	-	-	2	2
2032	-	-	-	-	-	-
	$ (474)	$ 13	$ -	$ -	$ 4,135	$3,674

Discount Rate Sensitivity

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following represents the total OPEB liability calculated using the discount rate of, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower or 1 percent higher than the current rate (dollars in thousands):

Changes in Discount Rates as of June 30, 2022

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
1% Decrease (1.16%)	$ 1,794	$ 100	$ -	$ -	$ 36,001	$37,894
Discount Rate (2.16%)	1,707	96	-	-	28,565	30,368
1% Increase (3.16%)	1,621	93	-	-	23,020	24,735

Changes in Discount Rates as of June 30, 2021

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
1% Decrease (1.21%)	$ 1,579	$ 95	$ -	$ -	$ 33,637	$35,311
Discount Rate (2.21%)	1,544	92	-	-	26,699	28,335
1% Increase (3.21%)	1,424	88	-	-	21,521	23,034

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates

The following represents the total OPEB liability calculated using the current healthcare cost trend rates as well as what the total OPEB liability would be if it were calculated using trend rates that are 1 percent lower or 1 percent higher than the current trend rates (dollars in thousands):

Changes in Healthcare Trend Rates as of June 30, 2022

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Life Insurance	Income	Life Insurance Plan	Total
1% Decrease	$ 1,559	$ 83	$ -	$ -	$ 36,001	$37,644
Current Trend Rate	1,707	96	-	-	28,565	30,368
1% Increase	1,876	111	-	-	23,020	25,006

Changes in Healthcare Trend Rates as of June 30, 2021

(dollars in thousands)	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Life Insurance	Income	Life Insurance Plan	Total
1% Decrease	$ 1,382	$ 80	$ -	$ -	$ 33,637	$35,099
Current Trend Rate	1,501	92	-	-	26,699	28,292
1% Increase	1,636	106	-	-	21,521	23,262

Sick Leave Insurance Reserve Trust Funds

Plan Description

The PERSI administers the Sick Leave Insurance Reserve Fund (SLIRF), cost sharing, multiple-employer defined benefit OPEB plan that provides payments of eligible postretirement insurance premiums on behalf of retired state and public school district employees, based on accumulated unused sick leave at the time of retirement. The SLIRF is classified as a trust fund. For State and school employers, unused sick leave benefits are subject to the guidance of Governmental Accounting Standard Board (GASB) Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, and GASB Statement 85, Omnibus 2017.

The PERSI issues a publicly available financial report that includes financial statements and required supplementary information, which can be found at (http://www .persi.idaho.gov/investments/ annual_financial_report.cfm). The PERSI also provides a 'Schedule of Employer Allocations and Collective OPEB Amounts' for the SLIRF, which can be found at https://www.persi.idaho.gov/Employers/gasb.cfm.

The SLIRF is made up of two trust funds administered by the PERSI - a trust for payment of school district employee benefits and a trust for payment of State employee benefits. The SLIRF trust for payment of State employee benefits is governed by Idaho Code Sections 67-5333 and 59-1365.

The SLIRF is a fund that exists for the payment of unused sick leave benefits in the form of insurance premiums for State and school district employees who separate from service by reason of retirement. The assets of the two trusts are commingled for investment purposes. All State government employers are statutorily required to contribute to a sick leave account administered by the PERSI. Employer's contributions are a percentage of payroll collected each pay cycle and are held in trust for future benefits. The State is responsible for any unfunded benefit obligations through contribution rate adjustments.

The number of participating employers and membership in the State SLIRF as of June 30, is as follows:

	Classes of Employees and Number of Participating Employers as of June 30: 2021	2020
Active Employees	21,062	17,171
Retirees and Beneficiaries	5,835	5,534
Total	26,897	22,705
Number of Participating Employers	14	14

State employees are limited to the number of allowable hours of sick leave they may use as part of the unused sick leave program as follows:

Credited Hours of Service	Maximum Allowable Sick Leave Hours
0-10,400 (0-5 years)	420
10,401-20,800 (5-10 years)	480
20,801-31,200 (10-15 years)	540
31,201 + (15 years or more)	600

Members may use one-half of sick leave hours accrued up to the allowable maximum multiplied by their rate of compensation at retirement.

The University contribution rate was 0 percent of covered salary [a holiday from contribution due to the asset balance] at June 30, 2022 and June 30, 2021.

Net OPEB Liability (Asset), OPEB Expense, and Deferrals

The University reported a total net OPEB SLIRF (asset) of $(16.8) million and $(13.0) million as of June 30, 2022 and June 30, 2021, respectively for its proportionate share. The net OPEB SLIRF (asset) was measured as of July 1, 2021 for June 30, 2022 and July 1, 2020 for June 30, 2021 and the total OPEB SLIRF (asset) used to calculate the net OPEB SLIRF (asset) was determined by an actuarial valuation as of those dates respectively. The University's proportion of the net OPEB SLIRF (asset) was based on the University's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2021 and 2020, the University's proportion was 9.225 and 9.225 percent, respectively.

As of June 30, 2022

(dollars in thousands)	Net SLIRF OPEB Liability (Asset)
Changes for the Year	
Service Cost	$ 339
Interest	614
Effect of plan changes	-
Assumption Changes	525
Contributions Employer	-
Net investment income	(5,247)
Proportion Changes	
Administrative expense	4
Net Changes	(3,765)
Total OPEB (Asset), Beginning Balance	(13,021)
Total OPEB (Asset), Ending Balance	$ (16,786)

As of June 30, 2021

(dollars in thousands)	Net SLIRF OPEB Liability (Asset)
Changes for the Year	
Service Cost	$ 363
Interest	655
Effect of plan changes	-
Assumption Changes	(1,128)
Contributions Employer	(415)
Net investment income	(882)
Proportion Changes	10
Administrative expense	4
Net Changes	(1,393)
Total OPEB (Asset), Beginning Balance	(11,628)
Total OPEB (Asset), Ending Balance	$ (13,021)

As of June 30, 2022 and June 30, 2021, the University recognized an OPEB SLIRF expense reduction as follows:

Increase (Decrease) (dollars in thousands)	2022	2021
Net SLIRF Expense (offset)	$ (1,387)	$ (597)

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB SLIRF from the following sources:

Increase (Decrease)		
(dollars in thousands)		
Deferred Outflows		
Beginning Balance, June 30, 2021	$	480
Changes for the Year		
Prior year contributions subsequent to the measurement date		-
Changes in Proportion		(42)
Net Difference in Projected vs Actual Investment Earnings		(238)
Difference between Expected & Actual Experience		(17)
Changes of Assumptions		657
Benefit Payments Subsequent to the Measurement Date		-
Ending Balance, June 30, 2022	$	840

Increase (Decrease)		
Deferred Inflows		
Beginning Balance, June 30, 2021	$	(1,278)
Changes for the Year		
Difference between Expected & Actual Experience	$	(91)
Investments		(2,768)
Changes of Assumptions		119
Changes in Proportion		3
Ending Balance, June 30, 2022	$	(4,015)

At June 30, 2021, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB SLIRF from the following sources:

Increase (Decrease)		
(dollars in thousands)		
Deferred Outflows		
Beginning Balance, June 30, 2020	$	711
Changes for the Year		
Prior year contributions subsequent to the measurement date		(415)
Changes in Proportion		(35)
Net Difference in Projected vs Actual Investment Earnings		239
Difference between Expected & Actual Experience		(17)
Changes of Assumptions		(3)
Benefit Payments Subsequent to the Measurement Date		-
Ending Balance, June 30, 2021	$	480

Increase (Decrease)		
Deferred Inflows		
Beginning Balance, June 30, 2020	$	(712)
Changes for the Year		
Difference between Expected & Actual Experience	$	(88)
Investments		328
Changes of Assumptions		(809)
Changes in Proportion		3
Ending Balance, June 30, 2021	$	(1,278)

Economic/demographic (gains)/losses and changes in proportionate share, assumptions or inputs are amortized and recognized as expense/revenue over the average remaining service life of the Plan members. These amounts reported above as deferred outflows of resources and deferred inflows of resources related to OPBE SLIRF will be recognized in OPEB SLIRFT revenue as follows:

Years ended June 30:	SLIRF Expense (Revenue) due to Amortizations
2022	($874)
2023	($762)
2024	($669)
2025	($802)
2026	($66)
Thereafter	($2)
	($3,175)

Summary of Significant Accounting Policies

Generally speaking, significant accounting and investment policies for the SLIRF are the same as detailed for the PERSI pension plans as described in the beginning of Note 8 below the section 'Summary of Significant Accounting Policies'. For purposes of measuring the net OPEB liability (asset) and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB and additions/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by PERSI.

Actuarial Assumptions

Actuarial valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the State net OPEB liability (asset) are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future.
The following are the actuarial assumptions and the entry age normal cost method, applied to all periods included in the measurement:

	Actuarial Assumptions OPEB SLIRF
Inflation	2.30%
Salary Increases incl inflation	3.05%
Investment rate of return**	5.45%
Health care trend rate	N/A*

*Health care trend rate is not applicable as the benefit is based on the unused sick leave hours at retirement, and is calculated as a fixed dollar amount that can be applied to premiums.

Long-term Expected Rate of Return

The long-term expected rate of return on State OPEB Fund investments was determined using the building block approach and a forward-looking model in which best estimates ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the PERSI relies primarily on an approach which builds upon the latest capital market assumptions. The assumptions and the PERSI's formal policy for asset allocation are shown below. The formal asset allocation policy is more conservative than the current allocation of the PERSI's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Actuarial Assumptions for Plan Year 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	50.00%	1.80%	-0.20%
US/Global Equity	39.30%	8.00%	6.00%
International Equity	10.70%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometic) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by the PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			3.15%
Assumed Inflation			2.30%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			**5.45%**

Actuarial Assumptions for Plan Year 2020

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	2.80%	55.00%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-Term (Geometic) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses		5.85%	3.49%
Portfolio Long-Term (Geometic) Expected Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by the PERSI Board			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			**7.05%**

Discount Rate

For the plan year ended June 30, 2021 and June 30, 2020, the discount rate of 5.45% and 7.05%, respectively, was used to measure the OPEB liability (asset). The projection of cash flows used to determine the discount rate assumed that contributions from Fund employers will be made at the current contribution rate. Based on these assumptions, the OPEB Fund's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Fund investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

As of June 30, 2022

(dollars in thousands)	Employer's net OPEB SLIRF liability (asset)	
1% Decrease (4.45%)	$	(16,094)
Discount Rate (5.45%)		(16,786)
1% Increase (6.45%)		(17,419)

As of June 30, 2021

(dollars in thousands)	Employer's net OPEB SLIRF liability (asset)	
1% Decrease (6.05%)	$	(12,406)
Discount Rate (7.05%)		(13,022)
1% Increase (8.05%)		(13,581)

13. NATURAL CLASSIFICATIONS WITH FUNCTIONAL CLASSIFICATION

(dollars in thousands) **2022**

	Personnel Costs	Services	Supplies	Insurance, Utilities and Rent	Scholarships and Fellowships	Depreciation	Miscellaneous	Operating Expenses Totals
Academic support	$ 14,868	$ 1,907	$ 679	$ 27	$ -	$ -	$ 125	$ 17,606
Auxiliary enterprises	11,498	5,240	2,498	2,402	-	-	2,654	24,292
Depreciation	-	-	-	-	-	12,530	-	12,530
Institutional support	16,811	6,653	2,594	2	-	-	746	26,806
Instruction	96,245	7,935	5,285	272	-	-	1,129	110,866
Libraries	2,345	233	839	-	-	-	5	3,422
Maintenance and operations	8,895	2,367	2,051	4,011	-	-	23	17,347
Public services	4,056	685	4,888	70	-	-	48	9,747
Research	11,153	1,610	1,799	97	-	-	422	15,081
Scholarships and fellowships	-	-	-	-	30,487	-	-	30,487
Student services	9,972	2,353	471	49	-	-	219	13,064
Total operating expenses	$ 175,843	$ 28,983	$ 21,104	$ 6,930	$ 30,487	$ 12,530	$ 5,371	$ 281,248

(dollars in thousands) **Restated 2021**

	Personnel Costs	Services	Supplies	Insurance, Utilities and Rent	Scholarships and Fellowships	Depreciation	Miscellaneous	Operating Expenses Totals
Academic support	$ 14,466	$ 1,612	$ 848	$ 14	$ -	$ -	$ 71	$ 17,011
Auxiliary enterprises	10,197	4,214	1,978	1,908	-	-	1,208	19,505
Depreciation	-	-	-	-	-	12,186	-	12,186
Institutional support	22,877	5,637	3,624	179	-	-	101	32,418
Instruction	90,419	5,913	4,388	175	-	-	297	101,192
Libraries	2,490	172	828	-	-	-	2	3,492
Maintenance and operations	8,805	1,331	1,573	3,577	-	-	5	15,291
Public services	3,466	870	710	21	-	-	27	5,094
Research	10,635	1,054	1,821	81	-	-	91	13,682
Scholarships and fellowships	-	-	-	-	21,277	-	-	21,277
Student services	9,186	1,586	401	9	-	-	107	11,289
Total operating expenses	$ 172,541	$ 22,389	$ 16,171	$ 5,964	$ 21,277	$ 12,186	$ 1,909	$ 252,437

14. CONTINGENCIES AND LEGAL MATTERS

The University is a defendant in litigation arising from the normal course of operations. Based on present knowledge, the University's administration believes any ultimate liability in these matters will not materially affect the financial position of the University.

15. RISK MANAGEMENT

The University participates in the State of Idaho Risk Management Program, which manages property and general liability risk. That program provides liability (cap) protection to $500,000 per occurrence. Insurance premium payments are made to the state risk management program based on rates determined by a state agency's loss trend experience and asset value covered. Presently, Idaho State University's total insured property value is $1,541.6 million.

The University obtains worker's compensation coverage from the Idaho State Insurance Fund. The University's worker's compensation premiums are based on its payroll, its own loss 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 bonds and crime, out of state worker's compensation, business interruption, media liability and automobile physical damage insurance. There have been no significant reductions in coverage or claims in excess of coverage within the past three years.

16. COMPONENT UNIT DISCLOSURE

The Foundation is discretely presented within the financial statements as a component unit.

The Foundation is a legally separate, tax-exempt entity with an independent governing board. The majority of resources, or income thereon, which the Foundation holds and invests are restricted to the activities of the University by the donors and not controlled directly the University. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the University, the Foundation is considered a component unit of the University and is discretely presented in the financial statements.

The financial activity is reported for the year ended June 30, 2022 and June 30, 2021.

During the fiscal years 2022 and 2021, gifts of $11,262,613 and $7,312,206, respectively, were transferred from the Foundation to the University. The Foundation is audited annually and received an unmodified audit opinion in 2022 and 2021.

Please see the financial statements for the Foundation on pages 16, 19 and 20 of this report.

Complete audited financial statements are prepared for the Foundation and may be obtained in their entirety by writing to the following:

Idaho State University Foundation
921 S. 8th Ave, Stop 8050
Pocatello, ID 83209-8050

17. SUBSEQUENT EVENTS

On September 29, 2022, the University issued Revenue Bonds, Series 2022A in the amount of $9.765 million. The proceeds from the Series 2022A Bonds, will be used to (i) finance certain renovations and improvements to the University's Holt Arena, and (ii) pay costs of issuing the 2022A Bonds.

Required Supplementary Information

Schedule of Employer's Proportionate Share of Net Pension Liability/(Asset)

PERSI - Base Plan

Last 10 - Fiscal Years*

$ in thousands	2022	2021	2020	2019	2018	2017	2016	2015
Employer's portion of the net pension liability/(asset)	0.6431021%	0.7271496%	0.7499116%	0.7538335%	0.8326157%	0.8738085%	0.9137234%	0.9202007%
Employer's proportinate share of the net pension liability/(asset)	$ (508)	$ 16,885	$ 8,560	$ 11,119	$ 13,087	$ 17,713	$ 12,032	$ 6,774
Employer's covered payroll	24,046	25,982	25,470	24,254	25,858	25,617	25,593	25,094
Employer's proportional share of the net pension liability/(asset) as a percentage of its covered payroll	-2.11%	64.99%	33.61%	45.84%	50.61%	69.15%	47.01%	27.00%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	100.36%	88.22%	91.69%	91.69%	90.68%	87.26%	91.38%	94.95%

*GASB Statement No. 68 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Schedule of Employer Contributions

PERSI - Base Plan

Last 10 - Fiscal Years*

$ in thousands	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 2,973	$ 2,866	$ 3,092	$ 2,876	$ 2,746	$ 2,927	$ 2,896	$ 2,897
Contributions in relation to the statutorily required contribution	2,973	2,866	3,092	2,876	2,746	2,927	2,896	2,897
Contribution (deficiency) excess	-	-	-	-	-	-	-	-
Employer's covered payroll	24,930	24,046	25,982	25,470	24,254	25,858	25,617	25,593
Contributions as a percentage of covered payroll	11.92%	11.92%	11.90%	11.29%	11.32%	11.32%	11.30%	11.32%

*GASB Statement No. 68 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Required Supplementary Information

Schedule of Employer's Proportionate Share of OPEB-SLIRF Liability (Asset)

SLIRF - Base Plan

Last 10 - Fiscal Years*

$ in thousands	2022	2021	2020	2019	2018
Employer's portion of the net OPEB-SLIRF liability (asset)	0.0922516%	0.0922516%	0.0923050%	0.0920529%	0.0947043%
Employer's proportinate share of the net OPEB-SLIRF liability (asset)	$ (16,786)	$ (13,022)	$ (11,628)	$ (10,565)	$ (9,009)
Employer's covered-employee payroll	107,878	103,568	98,846	96,790	99,367
Employer's proportional share of the net OPEB-SLIRF liability (asset) as a percentage of its covered-employee payroll	-15.56%	-12.57%	-11.76%	-10.92%	-9.07%
Plan fiduciary net position as a percentage of the total OPEB-SLIRF liability (asset)	274.55%	251.29%	226.97%	225.45%	204.12%

*GASB Statement No. 75 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Schedule of Employer Contributions

OPEB-SLIRF - Base Plan

Last 10 - Fiscal Years*

$ in thousands	2022	2021	2020	2019	2018
Statutorily required contribution	$ (0)	$ -	$ 414	$ 692	$ 659
Contributions in relation to the statutorily required contribution	(0)	-	414	692	659
Contribution (deficiency) excess	-	-	-	-	-
Employer's covered-employee payroll	105,692	107,878	103,568	98,846	96,790
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.40%	0.70%	0.68%

*GASB Statement No. 75 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Required Supplementary Information

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios

Retiree Healthcare Plan

Last 10 - Fiscal Years*

(dollars in thousands)	2022	2021	2020	2019	2018
Changes for the Year					
Service Cost	$ (57)	$ (106)	$ (78)	$ (116)	$ (116)
Interest on Total OPEB Liability	(32)	(91)	(83)	(103)	(107)
Plan Changes	-	-	-	-	-
Economic/Demographic Gains (Losses)	(293)	1,513	-	13	-
Assumption Changes	38	(43)	(1,263)	1,052	-
Expected Benefit Pmts	138	271	238	271	262
Net Changes	(206)	1,544	(1,186)	1,117	39
Total OPEB Liabiliy, Beginning Balance	(1,501)	(3,045)	(1,859)	(2,976)	(3,014)
Total OPEB Liabiliy, Ending Balance	$ (1,707)	$ (1,501)	$ (3,045)	$ (1,859)	$ (2,975)
Proportion (%) of total OPEB liability	8.06%	8.34%	9.66%	8.26%	8.51%
Employer's covered-employee payroll	$ 105,692	$ 107,878	$103,568	$ 98,846	$100,538
Total OPEB liability as a percentage of covered-employee	1.62%	1.39%	2.94%	1.88%	2.96%

*GASB Statement No. 75 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

For the above OPEB plan, no assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you-go basis.

Data reported is measured as of June 30, 2021 (measurement date).

Required Supplementary Information

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios
Long Term Disability Healthcare Plan
Last 10 - Fiscal Years*

(dollars in thousands)	**2022**	**2021**	**2020**	**2019**	**2018**
Changes for the Year					
Service Cost	$ (16)	$ (18)	$ (18)	$ (18)	$ (18)
Interest on Total OPEB Liability	(2)	(4)	(6)	(6)	(9)
Plan Changes	-	-	-	-	-
Economic/Demographic Gains (Losses)	-	13	-	(70)	-
Assumption Changes	3	11	(28)	41	-
Expected Benefit Pmts	11	22	92	94	139
Net Changes	(4)	24	40	41	112
Total OPEB Liabiliy, Beginning Balance	(92)	(116)	(156)	(197)	(309)
Total OPEB Liabiliy, Ending Balance	$ (96)	$ (92)	$ (116)	$ (156)	$ (197)
Proportion (%) of total OPEB liability	8.06%	8.34%	9.66%	8.26%	8.51%
Employer's covered-employee payroll	$ 105,692	$ 107,878	$103,568	$ 98,846	$100,538
Total OPEB liability as a percentage of covered-employee	0.09%	0.09%	0.11%	0.16%	0.20%

*GASB Statement No. 75 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

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Data reported is measured as of June 30, 2021 (measurement date).

Required Supplementary Information

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios
Long Term Disability Life Insurance Plan
Last 10 - Fiscal Years*

(dollars in thousands)	**2022**	**2021**	**2020**	**2019**	**2018**
Changes for the Year					
Service Cost	$ -	$ -	$ -	$ -	$ -
Interest on Total OPEB Liability	-	(5)	-	(8)	(9)
Plan Changes	-	144	-	-	-
Economic/Demographic Gains (Losses)	-	-	-	-	-
Assumption Changes	-	27	(45)	10	-
Expected Benefit Pmts	0	30	42	42	52
Net Changes	0	196	(3)	44	43
Total OPEB Liabiliy, Beginning Balance	0	(196)	(193)	(238)	(281)
Total OPEB Liabiliy, Ending Balance	$ -	$ -	$ (196)	$ (194)	$ (238)
Proportion (%) of total OPEB liability	8.06%	8.34%	9.66%	8.26%	8.51%
Employer's covered-employee payroll	$ 105,692	$ 107,878	$103,568	$ 98,846	$100,538
Total OPEB liability as a percentage of covered-employee	0.00%	0.00%	0.19%	0.20%	0.24%

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Data reported is measured as of June 30, 2021 (measurement date).

Required Supplementary Information

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios

Long Term Disability Life Income Plan

Last 10 - Fiscal Years*

(dollars in thousands)	2022	2021	2020	2019	2018
Changes for the Year					
Service Cost	$ -	$ -	$ -	$ -	$ -
Interest on Total OPEB Liability	-	(4)	-	(6)	(7)
Plan Changes	-	110	-	-	-
Economic/Demographic Gains (Losses)	-	-	-	(4)	-
Assumption Changes	-	29	(21)	(8)	-
Expected Benefit Pmts	0	23	30	32	34
Net Changes	0	158	9	14	27
Total OPEB Liabiliy, Beginning Balance	0	(158)	(158)	(172)	(200)
Total OPEB Liabiliy, Ending Balance	$ -	$ -	$ (149)	$ (158)	$ (173)
Proportion (%) of total OPEB liability	8.06%	8.34%	9.66%	8.26%	8.51%
Employer's covered-employee payroll	$ 105,692	$ 107,878	$103,568	$ 98,846	$100,538
Total OPEB liability as a percentage of covered-employee	0.00%	0.00%	0.14%	0.16%	0.17%

*GASB Statement No. 75 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

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Data reported is measured as of June 30, 2021 (measurement date).

Required Supplementary Information

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios

Retiree Life Insurance Plan

Last 10 - Fiscal Years*

(dollars in thousands)	**2022**	**2021**	**2020**	**2019**	**2018**
Changes for the Year					
Service Cost	$ (1,222)	$ (769)	$ (662)	$ (679)	$ (652)
Interest on Total OPEB Liability	(615)	(782)	(773)	(695)	(653)
Plan Changes	-	-	-	-	-
Economic/Demographic Gains (Losses)	-	2,412	-	325	-
Assumption Changes	(391)	(5,994)	(2,332)	687	-
Expected Benefit Pmts	362	466	434	387	351
Net Changes	(1,866)	(4,667)	(3,333)	25	(954)
Total OPEB Liabiliy, Beginning Balance	(26,699)	(22,032)	(18,699)	(18,724)	(17,770)
Total OPEB Liabiliy, Ending Balance	$ (28,565)	$ (26,699)	$ (22,032)	$ (18,699)	$ (18,724)
Proportion (%) of total OPEB liability	41.61%	41.49%	41.94%	40.16%	39.73%
Employer's covered-employee payroll	$ 105,692	$ 107,878	$103,568	$ 98,846	$100,538
Total OPEB liability as a percentage of covered-employee	27.03%	24.75%	21.27%	18.92%	18.62%

*GASB Statement No. 75 requires ten years of information to be presented in this table, However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

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Data reported is measured as of June 30, 2021 (measurement date).

Idaho State University

FY22 ANNUAL FINANCIAL STATEMENTS

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