COLLEGE OF EASTERN IDAHO

Annual Financial Report

Years Ended June 30, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
College of Eastern Idaho
Idaho Falls, Idaho

Report on the Financial Statements
We have audited the accompanying financial statements of the business-type activities of the College of Eastern Idaho (the College) and its discretely presented component unit, the College of Eastern Idaho Foundation, Inc. (the Foundation) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2021 and 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States require that the Management's Discussion and Analysis, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability for PERSI-Base plan last 10 fiscal years, schedule of employer contributions PERSI-Base plan for last 10 fiscal years, schedule of employer contributions PERSI-Base plan for last 10 fiscal years, schedule of employer's share of net OPEB asset PERSI-OPEB plan-sick leave and schedule of employer contributions PERSI-OPEB plan-sick leave as listed in the table of contents to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2020, on our consideration of the College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is 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 College of Eastern Idaho'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 the College's internal control over financial reporting and compliance.

Wipfli LLP

Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
October 21, 2021

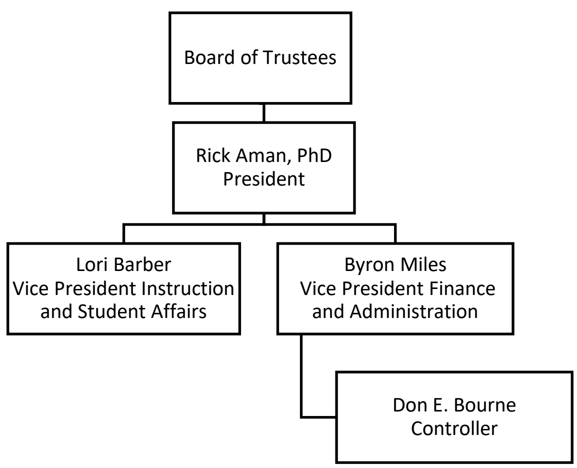
Management's Discussion and Analysis

This management's discussion and analysis (MD&A) focuses on the College's primary institutional operations for the fiscal year ended June 30, 2021 as well as looking to fiscal year 2022. The MD&A has been prepared by management and should be read in conjunction with the basic financial statements and the notes thereto, which follow this section. Responsibility for the completeness and fairness of this information rests with management. The College's discretely presented component unit, College of Eastern Idaho Foundation, Inc. (the "Foundation"), issues separately audited financial statements, which can be obtained directly from the Foundation's administrative office.

Principal officials of College of Eastern Idaho involved with fiscal controls during the periods ending June 30, 2021 and 2020 include:

Board of Trustees	Five elected members from Bonneville County in accordance with Idaho Code §33-2107
Rick Aman, Ph.D.	President
Lori Barber	Vice President, Instruction and Student Affairs
Byron Miles	Vice President for Finance and Administration
Don E. Bourne	Controller

Reporting relationships for those involved with fiscal performance are shown below:



Financial Highlights
FY2021

- The 2% decrease in State Basic Allocation from FY2020 was made permanent
- State Basic Allocations were reduced by an additional 5% or $612,300, resulting in a 7% total state funding reduction from FY 2020 to FY2021. While budgets are generally not reflected in the financial statements, the state basic allocations are mentioned since the budget allocations are also a direct revenue source.

- The State suspended funding for Change in Employee Compensation (CEC), which funds the majority of employee pay raises.
- For FY2020 and FY2021, the College was awarded Federal Grants to mitigate the fiscal impact of the Coronavirus Pandemic. Refer to the table on pages 10 and 11 for Federal CARES Act funds received by the College.

FY2022

- The State restored the 5% reduction in basic allocations for General Education and CTE budgets.
- CARES (HEERF) Act guidelines allowed the College to claim as lost revenue the $612,300 held back in FY 2021.
- The College is working to secure funding for a new "Future Tech" building on campus. The State has allocated $11.5 million to-date for this project. The Board of Trustees has pledged $2 million from reserves toward the project.
- The College has developed plans using HEERF funds to create a "virtual campus" to support students who want to attend and receive degrees exclusively online. This will complement the face-to-face classes continuing on the campus.

Overview of the Basic Financial Statements

The College follows the financial reporting guidelines established by GASB Statement No. 34, Basic Financial Statements – Management's Discussion and Analysis – For State and Local Governments, and GASB Statement No. 35, Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities – an amendment of GASB Statement No. 34. These statements require the College to report its basic financial statements at an entity-wide level under the business-type, activity-reporting model.

This MD&A serves as an introduction to the College's basic financial statements. The College's basic financial statements include four components: (1) statements of net position; (2) statements of revenue, expenses, and changes in net position; (3) statements of cash flows; and (4) notes to basic financial statements. This report may also contain other supplemental information in addition to the basic financial statements themselves.

The statements of net position represent the entire College's combined assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position, presented in the statements of revenue, expenses, and change in net position. The statements of cash flows present detailed information about the cash activities of the College during the year. The purpose of these basic financial statements is to summarize the financial information of the College, as a whole, and to present a long-term view of the College's finances.

Statements of Net Position

The statements of net position present end-of-year data concerning assets (current and noncurrent), deferred outflow of resources, liabilities (current and noncurrent), deferred inflow of resources, and net position as of June 30, 2021 and 2020. The statement of net position is a point-in-time financial statement. The purpose is to present to the readers of the basic financial statements a fiscal snapshot of the College. From the data presented, readers of the statements of net position are able to determine the assets available to continue the operations of the College. Readers are also able to determine how much the College owes vendors, investors, and lending institutions.

Finally, the statements of net position provide a picture of the net position and its availability for expenditure by the institution. Net position is divided into three major categories. The first category, net investment in capital assets, provides the institution's equity in property, plant, and equipment owned by the institution net of capital related debt and accumulated depreciation. The second category is restricted net position, which is divided into two categories, nonexpendable and expendable. The corpus of nonexpendable restricted resources is only available for investment purposes. Expendable restricted net position is available for expenditure by the institution but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final net position category is unrestricted. Unrestricted net position is available to the institution for any lawful purpose of the institution.

Statements of Revenue, Expenses, and Changes in Net Position

Changes in total net position as presented on the statements of net position are based on the activities presented in the statements of revenue, expenses, and changes in net position. The purpose of these statements is to present the revenue received by the College, operating and non-operating, and any other revenue, expenses, gains, and losses received or spent by the College.

Generally, operating revenue is received for providing goods and services to the students and other constituencies of the institution. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenue and to carry out the mission of the College. Non-operating revenue is revenue received for which goods and services are not provided to the provider of the funding. For example, state appropriations are non-operating because they are provided by the legislature to the institution without the legislature directly receiving commensurate goods and services for the revenue. The College uses the economic resources measurement focus and accrual basis of revenue recognition. See notes to the basic financial statements for further discussion on revenue recognition.

Financial Analysis of the College (does not include component unit)

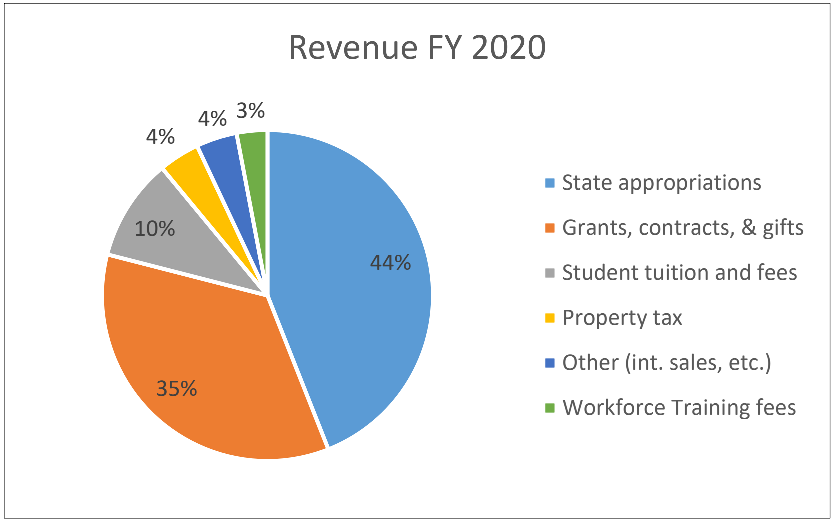
Summary Schedule of Net Position

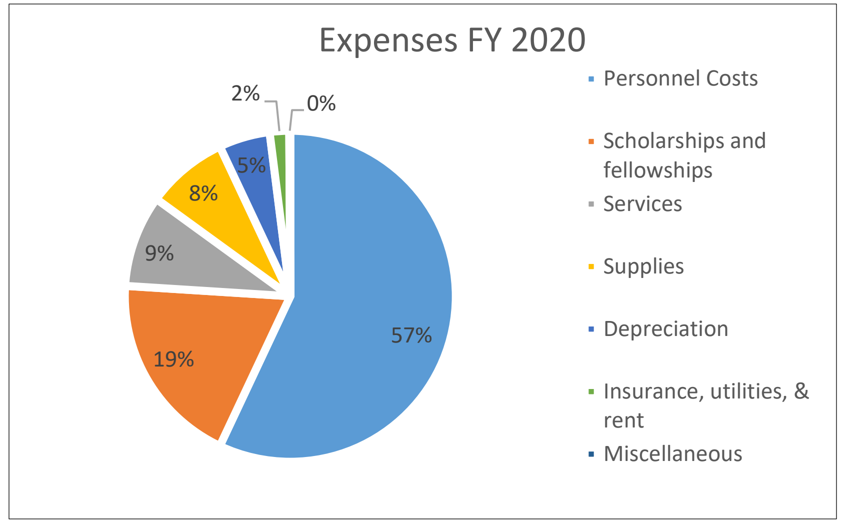
June 30, 2021 and 2020

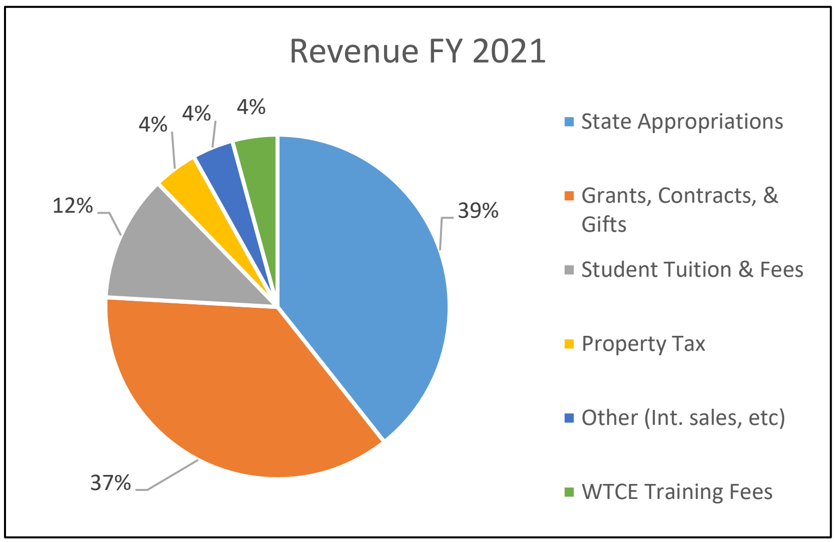
	CEI 2021	CEI 2020	Change
ASSETS			
CURRENT ASSETS:			
Current and other assets	$ 17,054,296	$ 15,510,611	$ 1,543,685
OPEB net asset –SL	1,045,432	903,161	142,271
Capital assets – net	11,448,531	12,078,760	(630,229)
Deferred outflows of resources	1,409,013	949,058	459,956
Total assets and deferred outflows of resources	$ 30,957,272	$ 29,441,590	$ 1,515,683
LIABILITIES:			
Current liabilities	3,943,906	3,300,122	643,784
Non-current liabilities	3,018,068	1,959,050	1,059,018
Total liabilities	6,961,974	5,259,172	1,702,802
Deferred inflows for pensions and OPEB	1,170,994	1,420,757	(249,763)
Total liabilities and deferred inflows of resources	8,132,968	6,679,929	1,453,039
NET POSITION:			
Investment in capital assets	11,448,531	12,078,760	(630,229)
Unrestricted	11,375,773	10,682,900	692,873
Total net position	22,824,304	22,761,660	62,644
Total liabilities, deferred inflows of resources and net position	$ 30,957,272	$ 29,441,590	$ 1,515,683

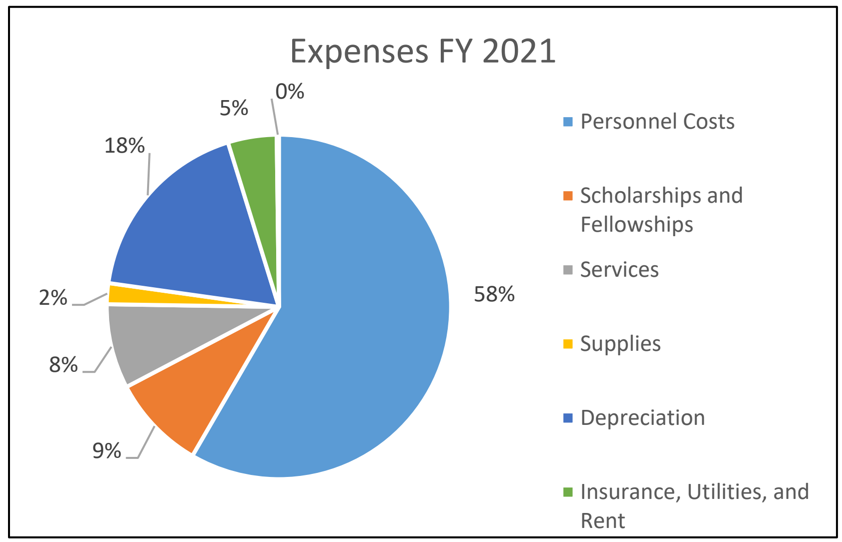
Summary Schedule of Revenue, Expenses, and Change in Net Position
Years ended June 30, 2021 and 2020

	CEI 2021	CEI 2020	Change
OPERATING REVENUES:			
Student fees (net of scholarship discounts and allowances of $1,748,807 and $1,837,257)	$ 3,035,131	$ 2,595,334	$ 439,798
Federal grants and contracts	3,566,676	3,114,787	451,889
State and local grants and contracts	1,585,941	1,907,589	(321,648)
Private grants and contracts	1,203,245	1,186,796	16,449
County Tuition	469,100	277,600	191,500
Sales and services of educational activities	43,698	46,381	(2,683)
Workforce Training Fees	1,273,648	896,724	376,924
Other	429,782	707,133	(277,351)
Total operating revenues	11,607,222	10,732,345	874,877
NONOPERATING REVENUES (EXPENSES):			
State CTE appropriations	6,676,000	7,071,600	(395,600)
State Educational appropriation	4,957,100	5,229,464	(272,364)
Liquor Revenue	200,000	200,000	-
Property Tax	1,246,471	1,162,180	84,290
Other (Maeck Donation)	50,464	-	50,464
Federal Grants & Gifts	4,932,827	2,957,756	1,975,071
Other Gifts & Grants	332,844	546,221	(213,377)
Interest income	75,740	323,085	(247,345)
Gain (loss) on disposition of capital assets	(75,938)	(49,569)	(26,369)
Total nonoperating revenues (expenses)	18,395,508	17,490,306	(915,309)
Total Revenue	30,002,730	28,222,651	(40,432)
FUNCTIONAL OPERATING EXPENSES			
Instruction	9,208,989	8,970,802	238,188
Academic Support	1,220,886	1,715,625	(494,739)
Executive Administration	1,159,043	-	1,159,043
Public Service	4,586	8,100	(3,514)
Libraries	143,278	63,058	80,221
Student Services	3,120,618	2,586,581	534,038
Operation & Maintenance Of Plant	3,655,090	3,830,156	(175,066)
General Administration	2,220,407	2,295,059	(74,652)
Institutional Support	3,343,741	2,402,829	940,911
Auxiliary Enterprises	-	4,499	(4,499)
Scholarships & Fellowships	5,354,610	5,140,333	214,277
Total operating expenses	29,431,248	27,017,041	2,414,207
OTHER REVENUES (EXPENSES)			
Loss on disposal of operations	(508,838)	-	(508,838)
Total other revenues (expenses)	(508,838)	-	(508,838)
Change in net position	$ 62,644	$ 1,156,041	$ (1,093,397)


Revenue FY 2020
44%
35%
10%
4%
4%
3%
State appropriations
Grants, contracts, & gifts
Student tuition and fees
Property tax
Other (int. sales, etc.)
Workforce Training fees


Expenses FY 2020
57%
19%
9%
8%
5%
2%
0%
Personnel Costs
Scholarships and fellowships
Services
Supplies
Depreciation
Insurance, utilities, & rent
Miscellaneous


Revenue FY 2021
39%
37%
12%
4%
4%
4%
State Appropriations
Grants, Contracts, & Gifts
Student Tuition & Fees
Property Tax
Other (Int. sales, etc)
WTCE Training Fees


Expenses FY 2021
58%
9%
8%
2%
18%
5%
0%
Personnel Costs
Scholarships and Fellowships
Services
Supplies
Depreciation
Insurance, Utilities, and Rent

The following schedule summarizes the College's capital assets as of June 30, 2021 and 2020:

Capital Assets, Net

	Balance at June 30, **2021**	Balance at June 30, 2020
Land	**$ 355,988**	$ 355,988
Equipment	**5,058,444**	4,781,216
Vehicles	**670,170**	640,626
Buildings & grounds	**19,729,152**	19,729,152
Other improvements	**2,992,610**	2,992,610
Library holdings	**508,125**	521,825
Total	**29,314,488**	29,021,416
Less: accumulated depreciation	**(17,865,957)**	(16,942,656)
Net capital assets	**$11,448,531**	$12,078,760

Further information regarding the College's capital assets and long-term debt can be found in the footnotes to the accompanying basic financial statements.

Long-Term Debt

The College has no long-term debt.

Economic Factors and Funding

In the early spring of 2020 and continuing through this calendar year, the Coronavirus Pandemic has spread across the country and the world. The campus successfully pivoted to a hybrid classroom and work from home environment for faculty, staff and students. While the majority of students and employees are back on campus, the College is ready to return again to remote/online learning and working if required. Compared to other higher education institutions in Idaho and across the country, the impact and disruption for CEI has not been as severe or overwhelming.

Through a variety of federal funds originating from the Federal CARES Act and subsequent related acts, the college was awarded a total of $ 7.3 million. Of these funds, approximately $493,000 was received in FY2020 and distributed directly to students who were impacted by the pandemic. Refer to the Quarterly Report below for details on spending of COVID relief funds.

Funds are used to mitigate costs associated with the pandemic, including computers, accessories and other IT infrastructure needed for on-line instructions, loaner laptops for students, licenses for video conferencing and other software to facilitate on-line instruction and working from home. These funds also helped to cover expenses in cleaning and sanitizing the campus facilities, hiring additional employees such as custodial and adjunct faculty to cover the added duties and workload relating to the pandemic.

Funding Relating to the Coronavirus Crisis *Coronavirus Aid, Relief, and Economic Security Act*			
Description	**Short Title**	**Date Awarded**	**Amount Awarded**
Higher Education Emergency Relief Fund	HEERF-A - Student Portion	May 2020	$492,847
Higher Education Emergency Relief Fund	HEERF-B - Institution Portion	Sept 2020	492,847
Higher Education Emergency Relief Fund	HEERF II - CRRSAA - Student Portion	Jan 2021	492,847
Higher Education Emergency Relief Fund	HEERF II - CRRSAA - Institution Portion	Jan 2021	1,679,922
Higher Education Emergency Relief Fund	HEERF III -ARP - Student Portion	May 2021	1,910,651
Higher Education Emergency Relief Fund	HEERF III -ARP - Institution Portion	May 2021	1,892,544
Governor's Emergency Education Relief Funds	GEER	Jul 2020	165,965
Coronavirus Financial Advisory Committee	CFAC - 2027	Jul 2020	7,500
Coronavirus Financial Advisory Committee	CFAC - 2069	Jul 2020	50,643
Coronavirus Financial Advisory Committee	CFAC - 2631	Jun 2021	19,505
Additional CFAC Stimulus Funding	CFAC - 2096	Dec 2020	129,179
OSBE - Online Idaho	ONLINE IDAHO	Dec 2020	25,000
Total			**$7,359,450**

*This table reflects the various funding sources from the Federal CARES Act. These funds were awarded in FY2020 and FY2021. The **HEERF ‑ Student Portion** funds are those funds dedicated to and awarded directly to students who were adversely impacted by the pandemic. **HEERF -Institution Portion** funds are available to the college to offset or mitigate the financial impact of the pandemic*

The following is the required report for the College's HEERF Funding. It reflects the quarterly actual spending of HEERF funds by category.

Quarterly Reports

as of 9/30/2021

	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2020 TOTAL	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2021 TOTAL	GRAND
Covering the cost of providing additional technology hardware to students, such as laptops or tablets, or covering the added cost of technology fees.	$ 651.17	$ 120.77	$ 23,742.22		**$ 24,514.16**	$ 63,690.72	$ 476,000.00			**$ 539,690.72**	**$ 564,204.88**
Providing or subsidizing the costs of high-speed internet to students or faculty to transition to an online environment.											
Subsidizing off-campus housing costs due to dormitory closures or decisions to limit housing to one student per room; subsidizing housing costs to reduce housing density; paying for hotels or other off-campus housing for students who need to be isolated; paying travel expenses for students who need to leave campus early due to coronavirus infections or campus interruptions.											
Subsidizing food service to reduce density in eating facilities, to provide pre-packaged meals, or to add hours to food service operations to accommodate social distancing.											
Costs related to operating additional class sections to enable social distancing, such as those for hiring more instructors and increasing campus hours of operations.				$ 24,942.26	**$ 24,942.26**	$ 44,198.36	$ 44,395.75	$ 4,009.33		**$ 92,603.44**	**$ 117,545.70**
Campus safety and operations.[1]		$1,060.03	$ 2,604.13	$ 6,963.01	**$ 10,627.17**	$ 17,310.65	$ 129.99	$ 9,082.68		**$ 26,523.32**	**$ 37,150.49**
Purchasing, leasing, or renting additional instructional equipment and supplies (such as laboratory equipment or computers) to reduce the number of students sharing equipment or supplies during a single class period and to provide time for disinfection between uses.		$ 67.49		$ 13,000.49	**$ 13,067.98**	$ 6,704.00	$ 1,368.42	$ 90,790.22		**$ 98,862.64**	**$ 111,930.62**
Lost Revenue								$ 612,300.00		**$ 612,300.00**	**$ 612,300.00**
Purchasing faculty and staff training in online instruction; or paying additional funds to staff who are providing training in addition to their regular job responsibilities.					**$ -**			$ 1,650.00		**$ 1,650.00**	**$ 1,650.00**
Purchasing, leasing, or renting additional equipment or software to enable distance learning, or upgrading campus wi-fi access or extending open networks to parking lots or public spaces, etc.			$ 446.98	$ 27,381.81	**$ 27,828.79**	$ 26,443.35	$ 39,636.54	$ 332,193.29		**$ 398,273.18**	**$ 426,101.97**
Other Uses of (a)(1) Institutional Portion funds.[1]				$ 60.00	**$ 60.00**		$ 142.00			**$ 142.00**	**$ 202.00**
TOTAL	**$ 651.17**	**$1,248.29**	**$ 26,793.33**	**$ 72,347.57**	**$101,040.36**	**$ 158,347.08**	**$ 561,672.70**	**$1,050,025.52**	**$ -**	**$1,770,045.30**	**$ 1,871,085.66**

Student Enrollment and Tuition

The college continues to see significant and steady enrollment growth. Even, in the midst of the Pandemic, the college has seen continued enrollment growth, both in headcount and in average credit hours taken per student. This is in contrast to many other colleges and universities in Idaho and around the country.

The following table shows key performance indicators reflecting the growth in enrollment and other indicators. This data reflects a steady growth for all critical indicators for the College.

CEI - PERFORMANCE INDICATORS

	Actuals					Goal
Measure	**FY 2019**	**FY 2020**	**% Change**	**FY 2021**	**% Change**	**FY 2021**
Unduplicated Headcount[1]	2,038	2,402	17.9%	2,627	9.4%	2,831
Annual Unduplicated FTE (30) [2]	865	999	15.5%	1,097	9.8%	1,154
Credit Hours Taught [3]	25,963	29,981	15.5%	32,919	9.8%	34,621
Average Credits per Degree Seeking Student [4]	10	10	-0.3%	10	1.0%	10.2
Workforce Headcount [5]	16,461	12,140	-26.2%	16,053	32.2%	17,700
Retention Rates [6]	72%	67%	-6.9%	70%	4.5%	74%
Early College [7]	1,516/345	3,205/523	51.6%	4,298/734	40.3%	4,000/625
TSA% [8]	95%	93%	-2.1%	93	0.0%	96%
Degree and Certification Awarded	255	278	9.0%	346	24.5%	303
Headcount of Completers	250	276	10.4%	337	22.1%	304
CTE Positive Placement [9]	98%	97%	-1.0%	93%	-4.1%	95%
Timely Degree II FT -1st Time 150% [10]	58%	56%	-3.4%	40%	-28.6%	60%

Footnotes:

[1] Annual Unduplicated Headcount is a count of all students who enrolled for at least one credit during the fiscal year, including early college Students

[2] Annual Unduplicated FTE is all enrolled credits during the fiscal year divided by 30 and truncated to a whole number, including early college students.

[3] Credit Hours Taught sums all credits that were enrolled in by students in the fiscal year.

[4] Average Credits per Degree Seeking Student does not include early college or non-program students. Only looks at the average credit load in the fall term of the FY. FY2020 is Fall 2019

[5] Workforce Headcount is all enrollments done by WTCE as per the WTN state reporting guidelines report criteria.

[6] Retention Rates only looks at first time full time students who returned or graduated in the year following their start.

[7] Early College Credits Earned contains two measures: the number of credits earned by early college students and a count of early college students in the fiscal year.

[8] TSA % stands for technical skills assessment, all CTE programs have at least one TSA.

[9] CTE Positive Placement is the number of students who responded that they are employed in an area related to their training.

[10] Timely Degree corresponds with the IPEDS reporting which looks at a given fall first time full time (FTFT) freshmen cohort who graduated within 150% or less of normal time to degree or certificate completion. Example if a typical degree takes two years, then the report looks up to three years after they began to see if they completed. Data is reported as of the year the data becomes available. So, our 150% time rate till corresponds with EITC FTFT Fall cohorts and should not be assumed to represent our general education programs at this time. We can make those distinctions in future data sets.

Financial Statements
Statements of Net Position

	CEI		COMPONENT UNIT	
	2021	2020	2021	2020
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 1,523,299	$ 588,972	$ 688,873	$ 1,423,081
Cash with state LGIP fund	5,000,812	6,467,130	-	-
College Reserves in LGIP fund	8,000,000	6,000,000	-	-
Accounts receivable and unbilled charges, net	2,530,185	2,454,509	-	-
Inventories and CIP	-	-	-	-
Investments	-	-	4,410,726	2,122,474
Total current assets	17,054,296	15,510,611	5,099,599	3,545,555
NONCURRENT ASSETS:				
Investments	-	-	2,686,352	2,634,817
OPEB Net asset - SL	1,045,432	903,161	-	-
Capital assets - net	11,448,531	12,078,760	-	-
Total noncurrent assets	12,493,963	12,981,921	2,686,352	2,634,817
TOTAL ASSETS	29,548,259	28,492,532	7,785,951	6,180,372
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows for pensions and OPEB	1,409,013	949,058	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 30,957,272	29,441,589	$ 7,785,951	$ 6,180.372

See accompanying notes

	CEI 2021	CEI 2020	COMPONENT UNIT 2021	COMPONENT UNIT 2020
LIABILITIES AND NET POSITION				
CURRENT LIABILITIES:				
Accounts payable	$ 412,349	$ 240,627	$ 647	$ 28,714
Accrued salaries and benefits payable	1,346,138	977,406	-	-
Compensated absences payable	506,758	443,058	-	-
Unearned revenue	1,678,661	1,639,030	-	-
Total current liabilities	3,943,906	3,300,122	647	28,714
NONCURRENT LIABILITIES:				
Total OPEB obligation	1,079,341	1,038,594	-	-
Net pension liability	1,938,727	920,456	-	-
Total non-current liabilities	3,018,068	1,959,050	-	-
TOTAL LIABILITIES	6,691,974	5,259,172	647	28,714
DEFERRED INFLOWS OR RESOURCES				
Deferred inflows for pensions and OPEB	1,170,994	1,420,757	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	8,132,968	6,679,929	647	28,714
NET POSITION:				
Investment in capital assets	11,448,531	12,078,760	-	-
Restricted For:	-	-	-	-
Nonexpendable	-	-	2,686,352	2,634,817
Expendable	-	-	3,970,935	2,579,509
Unrestricted	11,375,773	10,682,900	1,128,017	937,332
Total net position	22,824,304	22,761,660	7,785,304	6,151,658
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 30,957,272	$ 29,441,589	$ 7,785,951	$ 6,180,372

See accompanying notes

Statements of Revenues, Expenses and Changes in Net Position

	CEI		COMPONENT UNIT	
	2021	**2020**	**2021**	**2020**
OPERATING REVENUES:				
Student fees (net of scholarship discounts and allowances of $1,748,807 and $1,837,257)	$ 3,035,131	$ 2,595,334	$ -	$ -
Federal grants and contracts	3,566,676	3,114,787	-	-
State and local grants and contracts	1,585,941	1,907,589	-	-
Private grants and contracts	1,203,245	1,186,796	-	-
County Tuition	469,100	277,600	-	-
Sales and services of educational activities	43,698	46,381	-	-
Workforce Training Fees	1,273,648	896,724	-	-
Foundation public support		-	531,012	1,340,297
Foundation non cash donations	-	-	271,004	179,348
Other	429,782	707,133	-	-
Total operating revenues	11,607,222	10,732,345	802,016	1,519,645
FUNCTIONAL OPERATING EXPENSES:				
Instruction	9,208,989	8,970,802	-	-
Academic Support	1,220,886	1,715,625	-	-
Executive Administration	1,159,043	-		
Public Service	4,586	8,100	-	-
Libraries	143,278	63,058	-	-
Student Services	3,120,618	2,586,581	-	-
Operation & Maint. of Plant	3,655,090	3,830,156	-	-
General Administration	2,220,407	2,295,059	-	-
Institutional Support	3,343,741	2,402,829	261,543	349,901
Auxiliary Enterprises	-	4,499	250,100	196,355
Scholarships & Fellowships	5,354,610	5,140,333	265,263	410,164
Total operating expenses	29,431,248	27,017,041	776,906	956,420
OPERATING INCOME (LOSS)	(17,824,026)	(16,284,696)	25,110	716,437

See accompanying notes

College of Eastern Idaho
Statements of Revenues, Expenses and Changes in Net Position
June 30, 2021 and 2020

	CEI		COMPONENT UNIT	
	2021	2020	2021	2020
NONOPERATING REVENUES (EXPENSES):				
State CTE appropriations	6,676,000	7,071,600	-	-
State Educational appropriation	4,957,100	5,229,464	-	-
Liquor Revenue	200,000	200,000	-	-
Property Tax	1,246,471	1,162,180	-	-
Other (Maeck/Robotti Donation)	50,464	-	-	-
Federal Grants & Gifts	4,932,827.	2,957,756	-	-
Other Gifts & Grants	332,844	546,221	-	-
Interest income and dividend income	75,740	323,085	231,246	194,201
Unrealized gain (loss) on investments	-	-	307,505	(169,495)
Gain on sale of investments	-	-	1,069,785	128,506
Gain (loss) on disposition of capital assets	(75,938)	(49,569)	-	-
Total nonoperating revenues (expenses)	18,395,508	17,440,737	1,608,536	153,212
INCOME (LOSS) BEFORE OTHER REVENUES	571,482	1,156,041	1,633,646	716,437
OTHER REVENUES (EXPENSES):				
Gain (loss) on disposition of operations	(508,838)	-	-	-
Total other revenues	(508,838)	-	-	-
INCREASE/ (DECREASE) IN NET POSITION	62,644	1,156,041	1,633,646	716,437
NET POSITION, BEGINNING OF YEAR (PREVIOUSLY REPORTED)	22,761,661	21,605,620	6,151,658	5,435,221
NET POSITION, END OF YEAR	$ 22,824,304	$ 22,761,661	$ 7,785,304	$ 6,151,658

See accompanying notes

Statements of Cash Flows

	CEI 2021	CEI 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Student fees	$ 3,121,114	$ 2,800,825
Grants and contracts	6,355,862	6,209,172
Payments to suppliers	(5,432,501)	(5,478,754)
Payments to employees	(16,542,024)	(15,349,670)
Payments for scholarships and fellowships	(5,298,597)	(5,077,141)
Payments for Workforce training fees	1,174,573	697,298
Other receipts	898,882	984,733
Net cash from operations	(15,722,691)	(15,213,537)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	11,633,100	12,301,064
State Liquor Revenue and Property Tax Revenue	1,431,186	1,333,471
Grants and Contracts	2,925,080	3,227,755
Non capital gifts and grants	2,376,623	554,671
Student lending receipts	2,885,499	3,043,177
Student lending payments	(2,885,499)	(3,043,177)
Net cash from noncapital financing activities	18,365,989	17,416,960
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Capital grants and contracts	-	-
Other Donations (Maeck)	50,454	-
Purchases of capital assets	(1,301,493)	(1,325,596)
Proceeds from the sale of capital assets	-	(49,569)
Net cash from capital and related financing activities	(1,251,029)	(1,375,165)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Income	75,740	323,085
Net cash from investing activities	75,740	323,085
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,468,008	1,151,343
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	13,056,102	11,904,759
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 14,524,111	$ 13,056,102
RECONCILIATION		
Cash and Cash Equivalents	$ 1,523,299	$ 588,972
Cash with State LGIP Fund	5,000,812	6,467,130
College Reserves in LGIP Fund	8,000,000	6,000,000
	$ 14,524,111	$ 13,056,102

See accompanying notes

	CEI 2021	2020
RECONCILIATION OF NET OPERATING LOSS TO NET CASH AND CASH EQUIVALENTS USED IN OPERATING ACTIVITIES:		
Operating loss	$ (17,824,026)	$ (16,284,696)
Adjustments to reconcile operating loss to net cash used in Operating activities:		
Depreciation expense	1,346,945	1,238,600
Changes in assets and liabilities:		
Operating Accounts receivable and unbilled charges - net	(96,423)	(301,999)
Change in sick leave asset	(142,271)	(283,771)
Accounts payable	171,721	(91,575)
Accrued salaries and benefits payable	368,732	55,713
Compensated absences payable	63,700	46,025
Total OPEB Obligation	40,747	(388,347)
Total Deferred Outflows	(459,959)	(353,040)
Net Pension Liability	1,018,271	(3,610)
Total Deferred Inflows	(249,763)	893,580
Unearned Revenue	39,631	259,582
Net cash used in operating activities	$ (15,722,691)	$ (15,213,538)

See accompanying notes

Notes to Financial Statements

1. Business Activity and Summary of Significant Accounting Policies

College of Eastern Idaho (CEI or the College) strives to provide open-access to affordable, quality education that meets the needs of student, regional employers, and community. As a comprehensive community college, CEI's mission provides purpose and direction through the execution of the core themes of Work and Life, Student-Centered, and Community Engagement.

CEI offers Associate of Arts and Associate of Science degrees in various college transfer programs, and Associate of Applied Science degrees and technical certificates in its career-technical programs. CEI's enrollment in academic transfer students continues to grow since the change to a community college with 846 students in Spring semester 2020 to 857 student in Spring semester 2021. CEI is also committed to Workforce Training/Continuing Education (WTCE) with 14,582 enrolled in the 2020-2021 fiscal year.

The Northwest Commission on Colleges and Universities (NWCCU) recognized the new community college in 2017 and the College is accredited in all instructional areas by the Northwest Association of Schools and Colleges and the Idaho State Division of Career Technical Education. The Nursing Program is accredited by the National League for Nursing Accrediting Commission.

The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Reporting Entity – The accompanying basic financial statements include the accounts of the College and the College's related organization, College of Eastern Idaho Foundation, Inc. (the "Foundation").

Governmental Accounting Standards Board ("GASB") has issued Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. Statement No. 39 requires reporting, as a component unit, an organization that raises and holds economic resources for the direct benefit of a governmental unit. Consequently, the Foundation is presented in the accompanying basic financial statements as a discrete component unit due to the nature and significance of its relationship with the College as defined by GASB Statement No. 39. This relationship is such that its exclusion from the reporting entity could cause the College's financial statements to be misleading or incomplete.

GASB Statement No. 39 does not require component unit cash flow statements to be displayed in the College's financial statements.

Selected financial information related to the component unit Foundation is presented in Note 11.

Basis of Accounting – For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the

College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting in accordance with generally accepted accounting principles ("GAAP"). Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents – The College considers all liquid investments with a remaining maturity of three months or less at the date of acquisition to be cash equivalents. Balances classified as cash with the LGIP account include amounts that have been 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 LGIP account.

Accounts Receivable – Accounts receivable consist of fee charges to students and 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 College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts, if necessary.

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

Deposit and Investment Risk – GASB Statement No. 40, *Deposit and Investment Risk Disclosures,* requires comprehensive disclosure of common risks associated with deposits and investments of state and local governments. The application of these requirements is presented in Note 2.

Any funds deposited with the LGIP account for investment purposes can be subject to securities lending transactions initiated by the LGIP account.

Capital Assets – Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated fair value at the date of the gift. The College'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. 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 is incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40-50 years for buildings, 20-25 years for land improvements, and 5-13 years for vehicles and equipment.

Compensated Absences – Employee vacation pay that is earned but unused is accrued at year-end for financial statement purposes. Compensated absences payable is included in current liabilities in the statement of net position, and as a component of personnel costs in the Statement of Revenues, Expenses and Changes in Net Position is $506,758 and $443,058 for the year ended June 30, 2021 and 2020, respectively.

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/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.

Unearned Revenues – Unearned revenues include amounts received for certain student fees prior to the end of the fiscal year which are related to the subsequent accounting period.

Other Post-Employment Benefits– For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense;(expense offset), information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI or System) Sick Leave Insurance Reserve Fund and additions to/deductions from Sick Leave Insurance Reserve Fund's fiduciary net position have been determined on the same basis as they are reported by the Sick Leave Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The financial statements of the 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, in accordance with the benefit terms. These benefits are funded on a pay-as-you-go basis.

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

> *Investment in capital assets* – This represents the College's total investment in capital assets, net of outstanding debt obligations related to those assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts would not be included as a component of invested in capital assets, net of related debt. At June 30, 2021 and 2020, the College has no outstanding debt obligations or unexpended debt proceeds.
>
> *Unrestricted* – Unrestricted net assets represent 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 College and may be used to meet current expenses for any lawful purpose, in compliance SBOE policy.

When an expense is incurred that can be paid using either restricted or unrestricted resources, restricted resources will be used first, if permitted by the terms of the restrictions.

Income Taxes – The College, 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 College 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 of function. The College did not incur unrelated business income tax expense in the fiscal year ended June 30, 2021 and 2020.

Classification of Revenues – The College has classified its revenues as either operating or non-operating 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 educational departments and auxiliary enterprises, and (3) most Federal, state and local grants and contracts and Federal appropriations.
>
> *Non-operating revenues* – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Non-expendable 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, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement 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 College and the amount that is paid by students and/or other third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, state or nongovernmental programs are recorded as operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy student fees and related charges, the College has recorded a scholarship discount or allowance.

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

2. Cash and Cash Equivalents

Cash and cash equivalents are recorded at fair value, which approximates cost and are held by the College, deposited with various financial institutions or are deposited with the LGIP account. Total Deposits at June 30, 2021 and 2020 consist of:

	2021		2020	
Deposits with financial institutions	$	2,159,775	$	771,900
Cash with LGIP account		13,000,812		12,467,130
Total	$	15,160,587	$	13,239,730

At June 30, 2021 and 2020, the College had $700 of cash on hand in various change funds.

The carrying amount of the College's cash and cash equivalents at June 30, 2021 and 2020, respectively, was $14,524,111 and $13,056,102. The net difference between deposits and the carrying amount of cash and cash equivalents is a reflection of deposits in transit and outstanding checks.

Custodial Credit Risk is the risk that in the event of a financial institution's failure, the College's deposits may not be returned. The College does not have a policy for managing such risk.

Any one of the following circumstances exposes a deposit to custodial credit risk:

- Deposits are uninsured and uncollateralized.
- Deposits are uninsured and collateralized with securities held by the pledging financial institution.
- Deposits are uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but are not held in the College's name.

For the period ending June 30, 2021 and 2020, respectively, the total deposits with financial institutions, $1,890,987 and $502,812 was uninsured and uncollateralized and $268,788 and $269,088 was collateralized with securities held by the pledging financial institution. Cash deposits of $13,000,812 and $12,467,130 with the LGIP account may be exposed to custodial credit risk for the period ending June 30, 2021 and 2020, respectively. As of June 30, 2021 and 2020, the College was not able to determine the extent of that exposure, if any.

Investments – Idaho Code, Section 67-1210, limits credit risk by restricting the investment activities of the Local Government Investment Pool ("LGIP") and state agencies with investment authority. Idaho Code further gives SBOE the authority to establish investment policies for Colleges and Universities. Section V Subsection D of the Governing Policies and Procedures of SBOE authorizes funds within the control of the College to be invested in FDIC passbook saving accounts, certificates of deposit, U. S. securities, federal funds repurchase agreements, reverse repurchase agreements, federal agency securities, large money market funds, bankers acceptances, corporate bonds of AA grade or better, mortgage backed securities of AA grade or better and commercial paper of prime or equivalent grade all without prior board approval. Authority to make investments in any other form requires prior SBOE approval. The College does not have policies that further limit its deposit or investment alternatives beyond those allowed by SBOE.

3. Accounts receivable and unbilled charges

Accounts receivable and unbilled charges are all current and consist of the following at June 30, 2021 and 2020:

Current:		2021		2020
Student fees	$	1,503,570	$	1,463,890
Sponsorships		100,948		60,204
Property Tax		429,576		414,291
INL Grants		214,945		230,546
Misc. (Grants, WFT)		343,367		288,991
Subtotal		2,592,406		2,457,922
Uncollectible student fees		(62,220)		(3,413)
Accounts receivable and unbilled charges - net	$	2,530,186	$	2,454,509

CEI evaluates the collectability of tuition receivables based upon a combination of factors and has established an allowance for doubtful accounts based on past performance. Generally, all accounts over six months past due are deemed uncollectible. Uncollectible accounts receivable are specifically identified and charged to the allowance account. Recovered bad debts are credited to income when collected. Accounts receivable are recorded net of $62,220 and $3,413 allowance for doubtful accounts for the years ended June 30, 2021 and 2020.

4. Capital Assets

Following are the changes in capital assets for the year ended June 30, 2021:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital Assets				
Capital assets not being depreciated:				
Land	355,988	-	-	355,988
Total capital assets not being depreciated	355,988	-	-	355,988
Other capital assets:				
Buildings and improvements	22,721,759	-	-	22,721,759
Furniture, fixtures and equipment	5,421,844	1,289,617	982,845	5,728,617
Library materials	521,825	11,875	25,575	508,125
Total other capital assets	28,665,428	1,301,492	1,008,420	28,958,501
Less accumulated depreciation:				
Buildings and improvements	13,400,559	814,092	-	14,214,652
Furniture, fixtures and equipment	3,028,577	520,064	410,856	3,137,786
Library materials	513,520	12,788	12,788	513,520
Total accumulated depreciation	16,942,656	1,346,945	423,644	17,865,958
Other capital assets net of accumulated depreciation	11,722,772	(45,453)	584,776	11,092,543
Capital assets summary:				
Capital assets not being depreciated	355,988	-	-	355,988
Other capital assets	28,665,428	1,301,492	1,008,420	28,958,501
Total cost of property	29,021,416	1,301,492	1,008,420	29,314,489
Less accumulated depreciation	16,942,656	1,346,945	423,644	17,865,958
Capital assets - net	$12,078,760	$ (45,453)	$584,776	$ 11,448,531

The depreciation expense is included in the Statements of Revenues, Expenses and Changes in Net Position under the heading Functional Operating Expenses: Operation & Maint. of Plant.

Following are the changes in capital assets for the year ended June 30, 2020:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital Assets				
Capital assets not being depreciated:				
Land	355,988	-	-	355,988
Total capital assets not being depreciated	355,988	-	-	355,988
Other capital assets:				
Buildings and improvements	22,036,176	685,583	-	22,721,759
Furniture, fixtures and equipment	4,841,092	709,017	128,265	5,421,844
Library materials	514,575	9,350	2,100	521,825
Total other capital assets	27,391,843	1,403,950	130,365	28,665,428
Less accumulated depreciation:				
Buildings and improvements	12,602,067	798,493	-	13,400,559
Furniture, fixtures and equipment	2,668,211	438,685	78,319	3,028,577
Library materials	514,575	1,422	2,478	513,520
Total accumulated depreciation	15,784,853	1,238,600	80,797	16,942,656
Other capital assets net of accumulated depreciation	11,606,990	165,350	49,568	11,722,772
Capital assets summary:				
Capital assets not being depreciated	355,988	-	-	355,988
Other capital assets	27,391,843	1,403,950	130,365	28,665,428
Total cost of property	27,747,831	1,403,950	130,365	29,021,416
Less accumulated depreciation	15,784,853	1,238,600	80,797	16,942,656
Capital assets - net	$11,962,978	$ 165,350	$49,568	$ 12,078,760

5. Property Taxes

In accordance with Idaho State Law, ad valorem property tax is levied in dollars in September for each calendar year. Taxes are recorded by CEI using the accrual basis of accounting. Levies are made on the second Monday of September. Taxes become due on December 20 but may be paid in installments on December 20 and June 20. Payment is made to the treasurer of the county and transmitted monthly.

Property taxes attach as an enforceable lien on property as of January 1st of the following year. Notice of foreclosure is filed with the County Clerk on property three years from the date of delinquency. The property tax revenue is budgeted for the ensuing fiscal year. Bonneville County acts as an agent for CEI in both the assessment and collection areas. The County remits tax revenues to CEI with the majority of the collections being remitted in January and July.

6. Operating Lease Obligations

The College has entered into operating lease agreements covering various pieces of equipment and facilities. Some of those agreements provide for contingent charges for uses of equipment over the allowances included in the agreements, including charges for additional copies in the case of copier lease agreements. The lease payments for non-cancelable agreements in excess of one year for the year ended June 30, 2021 and 2020 were $426,266 and $553,155, respectively. Future minimum lease obligations under these agreements for the year ending June 30, 2021 are as follows:

2022	180,893
2023	126,893
2024	103,752
2025	14,729
2026	0
Total	$ 426,266

7. Retirement Plans

Public Employee Retirement System of Idaho – The Public Employee Retirement System of Idaho ("PERSI"), a cost-sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The plan provides benefits based on members' years of service, age and compensation. In addition, benefits are provided for disability, death and survivors of eligible members or beneficiaries. Designed as a mandatory system for eligible state and school employees, the legislation provided for other political subdivisions to participate by contractual agreement with PERSI. The benefits and obligations to contribute to the plan were established and may be amended by the Idaho State Legislature. Obligations to contribute to the plan are established by the PERSI Board as defined by Idaho Law. Financial reports for the plan are available from PERSI's website www.persi.idaho.gov.

Starting on July 1, 2013, the contribution rates for employers and general members has changed. The new required contribution rates for general employers through June 30, 2020 was 11.94 percent and the required contribution for general members was 7.16 percent. The contribution rates for general employers through June 30, 2019 was 11.32 percent and the required contributions for general members was 7.16 percent. The College's contribution required and paid for FY2021 and 2020 were $359,820 and $354,972, respectively.

PERSI issues a publicly available financial report that includes program elements financial statements and required supplementary information. That report may be obtained by writing to Public Employee Retirement System of Idaho, PO Box 83720, Boise, ID 83720-0078.

Optional Retirement Plan – Effective July 1, 1990, the Idaho State Legislature authorized SBOE to establish and to provide for the administration of an Optional Retirement Plan ("ORP"), a defined contribution plan, for faculty and exempt employees. The employee contribution requirement for the ORP is based on a percentage of 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 July 1, 1997 or thereafter automatically enroll in the ORP and select their vendor option. Faculty and exempt employees hired before July 1, 1997 had a one-time opportunity to enroll in the ORP. Enrollees in the ORP no longer belong to PERSI. Vendor options include Teachers Insurance and Annuity Association – College Retirement Equities Fund (TIAA) and Variable Annuity Life Insurance Company (VALIC/AIG Retirement).

Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 55 years of age. As of June 30, 2021 the required contribution rates for general employers' is 11.867 percent and the required contribution rate for general members is 6.97 percent. As of June 30, 2020 the required contribution rates for general employers' was 11.24 percent and the required contribution rate for general members was 6.97 percent. The College's contribution requirement (and amount paid) for the years ended June 30, 2021 and 2020 was $898,210 and $788,696, respectively. The general members contribution requirement (and amount paid) for the same time period were $527,633 and $464,400 totaling $1,425,843 and $1,253,096, respectively.

8. Pension Plan

Plan Description

The College 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.

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 with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon 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. 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) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% general employees and 12.28% for police and firefighters. The College's contributions were $359,817 for the year ended June 30, 2021 and $354,970 for the year ended June 30, 2020.

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

At June 30, 2021 and 2020, the College reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and

2019, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College proportion of the net pension liability was based on the College'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, 2020, the College's proportion was 0.0834891 percent. At June 30, 2019, the College's proportion was 0.0806376 percent. Since the prior measurement date, the College's portion of the collective net pension increased by 0.0028 percent.

For the years ended June 30, 2021 and 2020, the College recognized pension expenses of $750,986 and $354,789, respectively. The College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

June 30, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 151,474	$ 63,304
Changes in assumptions	32,787	-
Change in Proportion	-	-
Net difference in projected and actual earnings on pension plan investments	222,215	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	194,578	10,816
The College's contributions subsequent to the measurement date	359,817	-
Total	$ 960,871	$ 74,120

June 30, 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 85,542	$ 108,481
Changes in assumptions	51,201	-
Change in Proportion	-	-
Net difference in projected and actual earnings on pension plan investments		313.573
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	226,671	36,685
The College's contributions subsequent to the measurement date	354,972	-
Total	$ 718,386	$ 458,739

$359,817 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date at June 30, 2021 will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. $354,972 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date at June 30, 2020 was recognized as a reduction of the net pension liability in the year ended June 30, 2021.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2019 the beginning of the measurement period ended June 30, 2020 is 4.8 and 4.7 for the measurement period June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Years ended June 30:		
2022		69,655
2023		141,865
2024		164,658
2025		150,753
Total	$	526,931

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement:

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

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases, including inflation	3.75%
Salary Inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
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
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2021 is based on the results of an actuarial valuation date July 1, 2020.

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. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. 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 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. The capital market assumptions are as of January 1, 2020.

Capital Market Assumptions from Callen 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%

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-Term (Geometric)Expected Return of Rate	6.25%	3.89%
Assumed Investment Expenses	0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses	5.85%	3.49%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses		4.14%
Portfolio Standard Deviation		14.16%

Economic/Demographic Assumptions from Milliman 2018

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-Term Expected nominal Rate of Return, Net of Investment Expenses	**7.05%**

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. 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 7.05 percent, 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 (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

June 30, 2021	1 % Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's Proportionate share of the net pension liability (asset)	$ 3,975,789	$ 1,938,727	$ (254,401)
June 30, 2020	1 % Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's Proportionate share of the net pension liability (asset)	$ 2,780,131	$ 920,456	$ (617,436)

Pension plan fiduciary net position

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

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.

Payables to the pension plan

At June 30, 2021, the College reported no payables to the defined benefit pension plan for legally required employer contributions and no payables for legally required employee contributions, which had been withheld from employee wages but not yet remitted to PERSI.

9. Postemployment Benefits other than Pensions

Summary of Plans

The College participates in other postemployment benefit plans relating to health and disability administered by the State of Idaho as an agent multiple-employer defined benefit plans. The Life Insurance benefit is a single-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 College to retired or disabled employees. The most recent actuarial valuation is as of July 1, 2020. The College has not set aside any assets to pay future benefits; the College 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 following location:

http://www.sco.idaho.gov

Plan Descriptions and Funding Policy

Retiree Healthcare Plan
A retired employee of the College 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. Employees must enroll within 60 days of the date that the active employee policy ends. Additionally, the employee must be receiving PERSI monthly benefits at the time of retirement and must have 10 or more years (20,800 or more hours) of credited service. An employee must have been an active employee on or before June 30, 2009, and must retire directly from State service. Coverage is not available to Medicare-eligible retirees or their Medicare-eligible dependents. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the active employee plan per Idaho Code 67-5761. The College contributed $11.94 and $11.04 per active employee per month towards the retiree premium cost as of June 30, 2021 and 2020, respectively.

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 30 months following the date of disability, an employee may continue healthcare coverage under the State plan. The College pays 100 percent of the College's share of medical and dental premiums while the employee remains disabled. The employee is required to pay the normal active employee contribution for the plan and rate category in which the employee is enrolled. The College was charged $9.60 per active employee per month in fiscal year 2021 and 2020.

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

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 College 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 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 College 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 College pays 100 percent of the cost of basic life insurance for eligible retirees. The College contribution for the period as a percent of payroll was 1.284% for retirees under age 65, 0.975% for retirees between the ages of 65 and 69, and 0.654% for retirees over age 70.

Actuarial Assumptions

The last actuarial valuation was performed as of July 1, 2019, and rolled forward to June 30, 2020 for the Retiree Healthcare, Long-Term Disability and Retiree Life Insurance plans. There have been no significant changes between the valuation date and the fiscal year end.

The total OPEB liability as of June 30, 2021 was based on the 2020 PERSI Experience study for demographic assumptions and the July 1, 2020 OPEB Valuation for the economic and OPEB specific assumptions.

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

		Long-Term Disability Plan			
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Life Insurance Plan
Inflation	2.20%	2.20%	2.20%	2.20%	2.20%
Salary Increases	2.95% general wage growth plus increase due to promotions and longevity	2.95% general wage growth plus increase due to promotions and longevity	2.95% general wage growth plus increase due to promotions and longevity	2.95% general wage growth plus increase due to promotions and longevity	32.95% general wage growth plus increase 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

The total OPEB liability as of June 30, 2020 was based on the 2019 PERSI Experience study for demographic assumptions and the July 1, 2019 OPEB Valuation for the economic and OPEB specific assumptions.

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

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	3.25% general wage growth plus increase due to promotions and longevity	3.25% general wage growth plus increase due to promotions and longevity	3.25% general wage growth plus increase due to promotions and longevity	3.25% general wage growth plus increase due to promotions and longevity	3.25% general wage growth plus increase due to promotions and longevity
Discount Rate	3.50%	3.50%	3.50%	3.50%	3.50%
Healthcare Cost Trend Rates	7.2% claims and 6.5% premiums from year ending June 30,2019 to year ending June 30, 2020, grading to an ultimate rate of 4.20% for 2074 and later years	7.2% claims and 6.5% premiums from year ending June 30,2019 to year ending June 30, 2020, grading to an ultimate rate of 4.20% for 2074 and later years	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. Mortality rates for the Long-term Disability Income plan were based on the Group Long-Term Disability Valuation Table included with the actuarial report.

Discount Rate

The actuary used a discount rate of 2.21 and 3.50 percent to measure the total OPEB liability as of June 30, 2021 and 2020, respectively. The discount rate was based on 20-year Bond Buyer Go Index.

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

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:

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
Beginning Balance, June 30, 2020	$ 252,623	$ 9,601	$ 16,261	$ 1,520	$ 758,589	$ 1,038,594
Changes for the Year						
Service Cost	9,777	1,622	-	-	27,159	38,558
Interest on Total OPEB Liability	8,426	348	502	378	27,599	37,253
Plan Changes	-	-	(13,383)	(10,178)	-	(23,561)
Economic/Demographic Gains (Losses)	(140,115)	(1,212)	-	-	(85,153)	(226,480)
Assumption Changes	42,636	564	-	-	219,849	263,049
Expected Benefit Payments	(25,136)	(2,054)	(2,788)	(2,093)	(16,450)	(48,521)
Change in proportion	(9,117)	(257)	(592)	(449)	10,864	449
Net Changes	(113,529)	(989)	(16,261)	(12,342)	183,868	40,747
Ending Balance, June 30, 2021	$ 139,094	$ 8,612	$ -	$ (10,822)	$ 942,457	$ 1,079,341

The total OPEB liability components of the measurement date of June 30, 2019 (Beginning Balances) and changes in OPEB liability for the fiscal year ended June 30, 2020:

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Life Insurance Plan	Total
Beginning Balance, June 30, 2019	$ 138,492	$ 11,634	$ 14,391	$ 0	$ 1,262,424	$ 1,426,941
Changes for the Year						
Service Cost	6,483	1,507	-	-	22,799	30,789
Interest on Total OPEB Liability	6,852	497	657		26,610	34,616
Plan Changes	-	-	-	-	-	-
Economic/Demographic Gains (Losses)	-	-	-	-	-	-
Assumption Changes	78,731	120	329	-	51,864	131,044
Expected Benefit Payments	(19,754)	(7,670)	(3,462)		(14,958)	(45,844)
Change in proportion	41,819	3,513	4,346	1,520	(590,150)	(538,952)
Net Changes	114,131	(2,033)	1,870	1,520	(503,835)	(388,347)
Ending Balance, June 30, 2020	$ 252,623	$ 9,601	$ 16,261	$ 1,520	$ 758,589	$ 1,038,594

OPEB expense and deferrals for the year end of June 30, 2021:

	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 June 30, 2021	$ (1,135)	$ 2,317	$ (12,880)	$ (9,800)	$ 70,226	$ 48,278

	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	$ 137,783	$ 7,712	$ 3,057	$ (184)	$ 39,286	$ 187,654
Changes for the Year						
Prior year contributions subsequent to the measurements date	(6,993)	(20)	(3,057)	(2,268)	6,470	(5,868)
Difference between Expected & Actual Experience	-	-	-	-	-	-
Change in Assumptions	20,454	475	-	2,452	190,675	214,056
Changes in Proportion	(13,437)	(542)	-	-	9,696	(4,283)
Benefit Payments Subsequent to the Measurement Date	20,764	301	-	-	7,876	28,941
Ending Balance, June 30, 2021	$ 158,571	$ 7,926	$ -	$ -	$ 254,003	$ 420,500
Deferred Inflows						
Beginning Balance, June 30, 2020	$ 63,658	$ 2,557	$ -	$ -	$ 633,936	$ 700,151
Changes for the Year						
Difference between Expected & Actual Experience	115,728	1,066	-	-	74,737	191,531
Changes of Assumptions	(17,052)	(510)	-	-	(3,467)	(21,029)
Change in Proportion	7,546	226	-	-	(81,097)	(73,325)
Ending Balance, June 30, 2021	$ 169,880	$ 3,339	$ -	$ -	$ 624,109	$ 797,328

OPEB expense and deferrals for the year end of June 30, 2020:

	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 June 30, 2020	$ 5,275	$ 2,094	$ 2,274	$ 1,704	$ (39,209)	$ (27,862)

	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, 2019	$ 26,092	$ 11,578	$ 3,462	$ 0	$ 0	$ 41,132
Changes for the Year						
Prior year contributions subsequent to the measurements date	(19,755)	(7,670)	(3,462)	(2,452)	(14,958)	(48,297)
Difference between Expected & Actual Experience	-	511	-	-	-	511
Change in Assumptions	65,829	104			45,756	111,689
Change in Proportion	46,748	2,296	-	-	-	49,044
Benefit Payments Subsequent to the Measurement Date	18,869	893	3,057	2,268	8,488	33,575
Ending Balance, June 30, 2020	$ 137,783	$ 7,712	$ 3,057	$ (184)	$ 39,286	$ 187,654
Deferred Inflows						
Beginning Balance, June 30, 2019	$ 60,823	$ 2,296	$ -	$ -	$ 130,023	$ 193,142
Changes for the Year						
Difference between Expected & Actual Experience	37	-	-	-	(10,434)	(10,397)
Changes of Assumptions	2,798	261	-	-	(28,535)	(25,476)
Change in Proportion	-	-	-	-	542,882	542,882
Ending Balance, June 30, 2020	$ 63,658	$ 2,557	$ -	$ -	$ 633,936	$ 700,151

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as OPEB expense (revenue) as of June 30, 2021 follows:

Expense (Revenue)						
		Long-Term Disability Plan				
Fiscal Year	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Life Insurance Plan	Total
2022	$ (7,472)	$ 859	$ -	$ -	$ (64,460)	$ (71,073)
2023	(7,472)	859	-	-	(64,460)	(71,073)
2024	(7,472)	859	-	-	(64,460)	(71,073)
2025	11,107	859	-	-	(64,460)	(52,494)
2026	-	777	-	-	(64,460)	(63,683)
2027	-	374	-	-	(21,663)	(21,289)
2028	-	-	-	-	(27,663)	(27,663)
2029	-	-	-	-	1,168	1,168
2030	-	-	-	-	352	352
	$ (11,309)	$ 4,587	$ -	$ -	$ (370,106)	$ (376,828)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as OPEB expense (revenue) as of June 30, 2020 follows:

Expense (Revenue)						
		Long-Term Disability Plan				
Fiscal Year	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Life Insurance Plan	Total
2021	$ 10,808	$ 983	$ 3,057	$ (184)	$ (80,130)	$ (65,466)
2022	10,808	983	-	-	(80,130)	(68,339)
2023	10,808	983	-	-	(80,130)	(68,339)
2024	10,808	983	-	-	(80,130)	(68,339)
2025	21,596	983	-	-	(80,130)	(57,551)
2026 & thereafter	9,297	240			(194,000)	(184,463)
	$ 74,125	$ 5,155	$ 3,057	$ (184)	$ (594,650)	$ (512,497)

Discount Rate Sensitivity

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate as of June 30, 2021

The following represents the total OPEB liability calculated using the discount rate of 2.21 percent, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (1.21%) or 1 percent higher (3.21%) than the current rate:

	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%)	$ 146,247	$ 8,827	$ -	$ -	$ 1,187,591	$ 1,342,665
Discount Rate (2.21%)	139,011	8,518	-	-	942,634	1,090,163
1% Increase (3.21%)	131,876	8,194	-	-	759,818	899,888

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate as of June 30, 2020

The following represents the total OPEB liability calculated using the discount rate of 3.50 percent, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (2.50%) or 1 percent higher (4.50%) than the current rate:

	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 (2.50%)	$ 266,375	$ 9,962	$ 17,046	$ 12,887	$ 929,541	$ 1,235,811
Discount Rate (3.50%)	252,623	9,601	16,261	12,342	758,589	1,049,416
1% Increase (4.50%)	239,328	9,256	15,556	12,025	628,425	904,590

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 as of June 30, 2021:

	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	$ 127,983	$ 7,375	$ n/a	$ n/a	$ n/a	$ 135,358
Current Trend Rate	139,011	8,518	n/a	n/a	n/a	147,529
1% Increase	151,560	9,792	n/a	n/a	n/a	161,352

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 as of June 30, 2020:

	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	$ 230,672	$ 8,375	$ n/a	$ n/a	$ n/a	$ 239,047
Current Trend Rate	252,623	9,601	n/a	n/a	n/a	262,224
1% Increase	277,683	10,987	n/a	n/a	n/a	288,670

10. PERSI Sick Leave Insurance Reserve Plan

Plan Description

The College contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI 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 the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Sick Leave 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.

OPEB Benefits

Group retiree health, dental, accident, and life insurance premiums may qualify as a benefit. Retirees who have a sick leave account can use their balance as a credit towards these premiums paid directly to the applicable insurance company.

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. The contributions were reduced to 0% during 2020. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement Board based on current cost and actuarial data and reviewed annually. The College's contributions were $0 and $33,272 for the year ended June 30, 2021 and 2020, respectively.

OPEB Liabilities, OPEB Expense (Expense Offset), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021, the College reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The College proportion of the net OPEB asset was based on the College's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2020, the College proportion was 0.7403216 percent. At June 30, 2019, the College's proportion was 0.7169534 percent.

For the year ended June 30, 2021, the College recognized OPEB expense offset of $89,210. $0 reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2021.

For the year ended June 30, 2020, the College recognized OPEB expense offset of $73,873. $33,272 reported as deferred outflows of resources related to OPEBs resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ending June 30, 2021. The College reported deferred outflows of resources and deferred inflows of resources related to OPEB sick leave insurance from the following sources:

June 30, 2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 7,793	$ 36,018
Changes in assumptions	702	64,960
Change in Proportion	-	198,577
Net difference in projected and actual earnings on pension plan investments	19,147	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
The College's contributions subsequent to the measurement date	-	-
Total	$ 27,642	$ 299,555

June 30, 2020	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ 8,845	$ 28,030
Changes in assumptions	908	-
Change in Proportion	-	208,402
Net difference in projected and actual earnings on pension plan investments	-	25,444
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	-
The College's contributions subsequent to the measurement date	33,272	-
Total	$ 43,025	$ 261,876

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. The Sick Leave Plan amortizes any net OPEB asset based on a level percentage of payroll. The maximum amortization period for the Sick Leave Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total OPEB liability in the June 30, 2020 and June 30, 2019 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary Inflation	3.75%
Investment rate of return	7.05%, net of investment expenses

The long-term expected rate of return on OPEB 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 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. The health care trend rate is not applicable as the benefit amount a participant will receive is established with a set amount upon retirement thus would have no impact.

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. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. 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 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.

Capital Market Assumptions from Callen 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%

Investment Policy Assumptions from PERSI November 2019

Portfolio Long-Term (Geometric)Expected Return of Rate	6.25%	3.89%
Assumed Investment Expenses	0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses	5.85%	3.49%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses		4.14%
Portfolio Standard Deviation		14.16%

Economic/Demographic Assumptions from Milliman 2018

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-Term Expected nominal Rate of Return, Net of Investment Expenses	**7.05%**

Discount Rate

The discount rate used to measure the total OPEB liability was 7.05%. 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 OPEB plan'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 plan 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 net OPEB asset to changes in the discount rate.

The following presents the Employer's proportionate share of the net OPEB asset calculated using the discount rate of 7.05 percent, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

June 30, 2021	1 % Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's Proportionate share of the net pension liability (asset)	$ (996,043)	$ (1,045,433)	$ (1,090,367)
June 30, 2020	1 % Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's Proportionate share of the net pension liability (asset)	$ (872,877)	$ (903,161)	$ (931,482)

OPEB plan fiduciary net position

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

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.

Payables to the OPEB plan

At June 30, 2021, the College reported no payables to the defined benefit OPEB pension plan for legally required employer contributions and no payables for legally required employee contributions, which had been withheld from employee wages but not yet remitted to PERSI.

11. Component Unit Foundation

The College of Eastern Idaho Foundation, Inc. ("the Foundation") was established in 1992 as the Eastern Idaho Technical College Foundation, Inc. to solicit gifts, devises, monies, or properties to be held and managed for the exclusive benefit as a component unit of the College. The Foundation's name was changed in 2017 in anticipation of the change in name of the College. The Foundation is a tax-exempt organization under section 501(c)(3) of the Internal revenue Code, and a publicly supported charitable organization as described in sections 509 (a)(1) and 170(b)(A)(vi). As such, certain presentation features are different from GASB presentation features and accordingly, no modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences.

The College donated 100% of the total Director of Operation's and the Scholarship Coordinator's salary and benefits, which has been recorded in these financial statements as a donation and expenditure at June 30, 2021 and 2020, of $193,876 and $122,122, respectively. The College also provides office space and other services to the Foundation. The value of these services is not reflected in these statements.

A substantial number of unpaid volunteers have made significant contributions of their time to the operations of the Foundation. The value of these donated services and time is not recognized in the accompanying financial statements because they do not meet the criteria for recognition.

Cash and Cash Equivalents – The Foundation considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. At June 30, 2021 and 2020, the carrying amount of the Foundation's cash and cash equivalents was $688,873 and $1,423,081, respectively. The cash balance was comprised of the following:

Years Ended June 30,	**2021**	2020
Cash on hand and demand deposits at banking institutions	**$ 658,857**	$ 1,411,138
Cash held in certificates of deposit	**30,016**	11,943
Total balance held	**$ 688,873**	$ 1,423,081

The Foundation maintains cash balances at financial institutions where the accounts are insured by the FDIC for up to $250,000. At certain times during the year, cash balances may exceed FDIC-insured levels. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Revenues and Support – The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets, with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Foundation reports contributed property and equipment at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donors' restrictions; otherwise, the contributions are recorded as net assets without donor restriction when placed in service.

Revenue from special events contains an exchange element based on the value or benefits provided and a contribution element for the difference between the total amount paid and the exchange element. The Foundation has determined that there is no material difference between recording the full balance as received, and separating these elements to be recognized at the time of the event, and therefore records both exchange and contribution portions at the time of receipt.

Advertising and Promotion – Advertising and promotion costs are charged to operations when incurred. Advertising and promotions expense were $4,096 and $6,585 for the years ended June 30, 2021 and 2020, respectively.

Estimates – Preparing the Foundation's financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") require management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes – The Foundation is organized as a nonprofit and is exempt from federal income taxes under Section 501(c) (3) of the Internal Revenue Code and, therefore, no provision for income taxes has been made in these statements. The Foundation is subject to examination of its federal income tax filing in the United States generally for the three preceding tax years. There were no uncertain tax positions taken by the Foundation. In the event that the Foundation is assessed penalties and/or interest, penalties will be charged to other operating expense and interest will be charged to interest expense.

Change in Accounting Policy – In May 2014, the FASB issued ASU 2014-09 Revenue From Contracts with Customers (Topic 606). The amendments in this ASU, along with numerous clarifications and modifications, require an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Foundation adopted this guidance as of June 30, 2020 and applied

Topic 606 on a retrospective basis. The impact of this ASU was not significant to the Foundation and accordingly, there was no change in opening balances of net assets and no prior period results were restated.

In 2018, the FASB issued Accounting Standards Update (ASU) No. 2018-13, *Fair Value Measurements.* The amendments in this ASU are intended to improve the effectiveness of disclosures about fair value measurements required under Accounting Standards Codification (ASU) 820. The ASU removes certain disclosures and modifies others. The Foundation has applied the amendments in this ASU on a retrospective basis. There was no change in opening balances of net assets and prior period results were not restated.

On June 21, 2018, the FASB issued ASU No. 2018-08 Clarify the Scope and Accounting Guidance for Contributions Received and Contributions Made. The amendments in this ASU assist in (a) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to Subtopic 958-605 or as exchange (reciprocal) transactions subject to Accounting Standards Codification and (2) determining whether a contribution is conditional.

The contribution guidance in Subtopic 958-605 requires an entity to determine whether a transaction is conditional, which affects the timing of the revenue recognized. The entity has applied the amendments in this ASU on a modified prospective basis with no change on opening balances of net assets, and no prior period result restated. The amendments in this ASU also apply to both resources received by a recipient and resources given by a resource provided. The Foundation adopted ASU 2018-08 for resources received in the year ended June 30, 2020 and for resources given by a resource provider for the year ended June 30, 2021.

Fair Value Measurements – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. A three-tier hierarch prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value:

- Quoted market prices are used to determine the fair value of investments in publicly traded equity securities (common and preferred stock). Money market funds are valued using $1 as the net asset value. Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held are deemed to be actively traded.

The methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the assumptions to determine the fair value of certain financial instruments could result in a different fair value.

The following tables present the balances of assets at fair value on a recurring basis by level within the fair value hierarchy at June 30:

	Assets at Fair Value as of June 30, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds	**$ 7,097,078**	**$ -**	**$ -**	**$ 7,097,078**
Total investment assets at fair value	**$ 7,097,078**	**$ -**	**$ -**	**$ 7,097,078**

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Interest bearing cash	$ 136,691	$ -	$ -	$ 136,691
Mutual funds	4,599,398	-	-	4,599,398
Stocks	21,202	-	-	21,202
Total investment assets at fair value	$ 4,757,291	$ -	$ -	$ 4,757,291

There were no assets or liabilities measured at fair value on a nonrecurring basis as of June 30, 2021 and 2020.

Investments – The Foundation carries investments in marketable securities with readily determined fair values and all investments in debt securities at their fair values in the statement of financial position. Quoted marked prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the change in net assets in the accompany statement of activities.

Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or, if sold immediately after receipt, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation, or if no value can be estimated, at a nominal value. Investment income or loss and unrealized gains or losses are included in the statement(s) of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor law.

Investments and related returns for the years ended at June 30, 2021 and 2020 consisted of the following:

Years Ended June 30,	**2021**	2020
Money market funds	**$ -**	$ 136,691
Equities	**-**	21,202
Mutual funds	**7,097,078**	4,596,409
Real estate investment trust	**-**	2,989
Totals	**$ 7,097,078**	$ 4,757,291

Years Ended June 30,	**2021**	2020
Net unrealized and realized gains (losses)	**$ 1,377,290**	$ (40,989)
Investment income	**243,359**	207,224
Investment fees	**(12,113)**	(13,023)
Totals	**$1,608,536**	$ 153,212

Investments are held through Edward Jones and are insured by the Securities Investor Protection Corporation.

Investments, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with various investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported on the financial statements.

Liquidity and Availability of Financial Resources – Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Years Ended June 30,	**2021**	2020
Financial assets at year-end:		
Cash and cash equivalents	**$ 688,873**	$ 1,423,081
Investment Securities	**7,097,078**	4,757,291
Total liquid financial assets available	**7,785,951**	6,180,372
Less amounts not available to be used within one year		
Net assets with donor restrictions	**6,657,287**	5,215,018
Financial assets available (unavailable) to meet general expenditures within 12 months	**$ 1,128,664**	$ 965,354

The Foundation strives to maintain liquid financial assets sufficient to cover 180 days of general expenditures. Financial assets in excess of daily cash requirements are invested in certificates of deposit, money market funds, and other short-term investments.

Donated Property and Equipment – The Foundation has recorded donations of property and equipment as support at their estimated fair value at the date of donation. Such donations are reported as support increasing net assets without donor restrictions unless the donor has restricted the donated assets for a specific purpose or period of time. Assets with explicit restrictions regarding their use are reported as restricted support. The donated property and equipment was passed through to the College.

Net Assets - Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

- Net Assets without donor restrictions: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

- Net assets with donor restrictions: Net assets subject to donor- (or certain grantor) - imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purposed for which the resource was restricted has been fulfilled, or both.

The total amount of donor restricted net assets temporary in nature as of June 30, 2021 and 2020, was available for the following purposes:

Years Ended June 30,	**2021**	2020
GOALS/Library expansion	**$ 1,500**	$ 1,500
Future Tech	**25,000**	20,000
Scholarships and college support	**3,944,435**	2,558,701
Totals	**$ 3,970,935**	$ 2,580,201

Donor restricted net assets permanent in nature at June 30, 2021 and 2020, are restricted to investment in perpetuity, the income from which is expendable to support:

Years Ended June 30,	**2021**	2020
Scholarships to Idaho Steel employees and related individuals	**$ 50,000**	$ 50,000
Health related program scholarships	**148,000**	148,000
Activities of the Foundation	**10,000**	10,000
Other scholarships	**2,424,352**	2,372,817
Mechanical trade program scholarships	**54,000**	54,000
Totals	**$ 2,686,352**	$ 2,634,817

Net assets at June 30, 2021 and 2020, were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by the donors as follows:

Years Ended June 30,		**2021**		2020
Scholarships and college support	**$**	**372,432**	$	696,921
Totals	**$**	**372,432**	$	696,921

Donor Restricted Assets – At June 30, 2021 and 2020, the Foundation had donor-restricted endowments for the purposes of supporting the College and providing student scholarships. The Board of Directors has interpreted the Idaho Uniform Prudent Management of Institution Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as the date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2021 and 2020, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of the initial and subsequent gift amounts donated to the Endowment and (b) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. The Foundation considers the following factors when deciding to appropriate or accumulate donor-restricted endowment funds:

- Duration and preservation of the fund
- Purposes of the organization and donor-restricted endowment fund
- General economic conditions
- Possible effect of inflation and deflation
- Expected total return from income and the appreciation of investments
- Other resources of the Foundation
- Investment policies of the Foundation

The primary long-term financial objective for the Foundation's endowments is to preserve the real purchasing power of the endowment assets and income after accounting for endowment spending and costs of portfolio management. The endowments are held at the Foundation and subject to the Foundation's approved investment policy statements.

The amount permanently restricted by donors was $2,686,352 and $2,634,817, for the year ending June 30, 2021 and 2020, respectively. The Foundation determines the amount to be paid out as scholarships and college support on an annual basis.

The endowment funds consist of donor-restricted endowments and funds by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

Functional Allocation of Expenses – The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel costs donated by the College are allocated to operation/event. Program costs include scholarships and college support.

Concentration of Contribution or Grants – The Foundation relies primarily on contributions. Contributions generally came from donors in south east Idaho for the years ending at June 30, 2021 and 2020.

Subsequent Events – The Foundation has evaluated events and transaction for potential recognition or disclosure in the financial statements through September 7, 2021, which is the date the Foundation's financial statements were available to be issued.

There were no other subsequent type events, identified by management of the Foundation, that are required to be disclosed.

Beginning in March 2020, the United State economy began suffering adverse effects from the COVID-19 virus crisis ("CV19 Crisis"). As of the date of the Foundation's financial statements multiple jurisdictions in the U.S. have declared states of emergency. As a result, the Foundation canceled the Great Race. The Foundation cannot reasonably estimate the long-term impact of the pandemic.

Restatement of Previously Issued Financial Statement – The financial statements as of June 30, 2020, have been restated to correct an error that was detected during the audit for the year ended June 30, 2021.

In prior years, the Foundation recorded a donation as donor restricted that was later determined to be unrestricted. To correct this error, the restricted net assets were reduced by $587,593 and the unrestricted net assets were increased by $587,593 at the beginning of the year ended June 30, 2020. The total effect on the ending net assets as of June 30, 2020, was no change.

12. Natural Classifications for the year ended June 30, 2021 and 2020

	2021	2020
Personnel Costs	$ 17,181,484	$ 15,316,221
Services	2,627,887	2,507,019
Supplies	2,337,767	2,185,817
Insurance, utilities, and rent	578,505	642,946
Scholarships and fellowships	5,298,597	5,077,141
Depreciation	1,346,945	1,238,600
Miscellaneous	60,063	49,298
Total operating expenses	$ 29,431,248	$ 27,017,041

13. Risk Management

The College obtains workers' compensation coverage from the Idaho State Insurance Fund. The College's workers' compensation premiums are based on its payroll, its own experience, as well as that of the State of Idaho as a whole.

The College is insured through the state of Idaho's Risk Management Program for other risks of loss, including but not limited to employee bonds, all liability insurance, auto physical damage insurance, and all property insurance. During the past three fiscal years, no settled claims have exceeded insurance coverage levels, and there has been no significant reduction in coverage.

The College is subject to legal proceedings and claims that arise in the ordinary course of its business. In the opinion of management, the results of these matters will not have a significant impact on the financial statements.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Virus Crisis ("CV19 Crisis"). The long-term impact of the CV19 Crisis on the College cannot be reasonably estimated at this time.

14. Lease Agreement with State of Idaho

In fiscal year 2005, the College began constructing a new Health Care Education Building (the "facility"). With an estimated cost of approximately $10,000,000, this project was completed in fiscal year 2010. The Idaho State Building Authority (the "ISBA"), with approval from the Idaho State Legislature, issued tax exempt bonds to finance the project and has initial ownership of the facility.

The College, through the State Board of Education, entered into a lease agreement with the ISBA whereby the land upon, which the building was constructed is leased to the ISBA. It is intended that this site lease will continue until June 30, 2040, or until all amounts owed to the bondholders have been paid, whichever is earlier. The Idaho Legislature is obligated, via the annual appropriation process, to provide funds to the State Department of Administration (the "SDOA") to make the bond payments. The site lease is without consideration and CEI does not pay for use of the facility. CEI is responsible for operating and maintenance costs of the building.

The SDOA, on behalf of the College, has signed an agreement to lease the facility from the ISBA during the period the bond holders are being paid. This agreement obligates the SDOA to pay rent to the ISBA in the amount of the annual bond obligations, plus expenses, as funded by the Idaho Legislature. The facilities lease, signed on August 25, 2005, had an initial expiration date of June 30, 2007, with automatic annual renewals. It runs concurrently with the site lease and terminates when the site lease terminates.

The College and the SDOA have also entered into an operating agreement, signed on August 25, 2005, whereby the College is obligated to cover all operating costs including maintenance, insurance, and furnishings. At the termination of these agreements, drafted to coincide with the final bond payments, ownership of the facility should pass to the State.

15. Subsequent Event

The College has evaluated subsequent events through October 21, 2021, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2021 have been incorporated herein. There are no other subsequent events that require disclosure.

16. Unrestricted Funds Detail

The detail of the unrestricted funds included in the Net Position on the Financial Statements as of June 30, 2021 and 2020 are as follows:

Unrestricted Funds detail:	2021	2020
Operating Reserve	$ 4,000,000	
Facility Reserve	$ 2,000,000	
Future Tech Reserve	$ 2,000,000	
Unrestricted	$ 3,375,773	$ 10,682,900
Total Unrestricted Funds	$11,375,773	$ 10,682,900

17. Disposal of Operation

On June 30, 2021, CEI transferred the assets comprising the Fire Service Training program operation to the State of Idaho. The purpose for the disposal was to relocate the services to a central location. As a result of the transfer, the College of Eastern Idaho recognized a loss of $508,838 on disposal of the fire service program as an other income item as of June 30, 2021. This loss is a result of equipment, net of depreciation, transferred to the State of Idaho. This is a partial transfer, the remaining equipment and final transfer process with be completed by June 30, 2022. 2021 revenue associated with the Fire Safety Training program totaled approximately $793,174. Expenditures of the program reported $388,553 for 2021.

Required Supplementary Information

Schedule of Employer's Proportionate Share of Net Pension Liability
PERSI – Base Plan
Last 10 Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
Employer's portion of net the pension liability	00.0834891%	00.0806376%	00.0626478%	00.0644959%	00.0630526 %	00.0696700%	00.0665150%
Employer's proportionate share of the net pension liability	$1,938,727	$920,456	$924,066	$1,013,765	$1,278,173	$ 917,449	$ 489,654
Employer's covered payroll	$2,972,948	$2,738,781	$2,015,605	$2,123,790	$1,837,826	$1,813,891	$1,951,457
Employer's proportional share of the net pension liability as a percentage of its covered payroll	65.21%	33.31%	45.85%	47.73%	69.55 %	50.58 %	25.09%
Plan fiduciary net position as a percentage of the total pension liability	88.22%	93.79%	91.69%	90.68%	87.26 %	91.38 %	94.95 %

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

Data reported is measured as of June 30, 2020 (reporting date).

Schedule of Employer Contributions
PERSI – Base Plan
Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$359,817	$354,970	$310,030	$228,167	$ 226,762	$ 208,752	$ 216,201
Contributions in relation to the statutorily required contribution	$359,817	$354,970	$310,030	$228,167	$ 226,762	$ 208,752	$ 206,852
Contribution (deficiency) excess	$0	$0	$0	$0	$ 0	$ 0	$ 9,348
Employer's covered payroll	$3,013,621	$2,972,948	$2,738,781	$2,015,605	$ 2,123,790	$ 1,837,826	$ 1,813,891
Contributions as a percentage of covered payroll	11.94%	11.94%	11.32%	11.32%	10.68 %	11.36%	11.40 %

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

Required Supplementary Information

Schedule of Employer's Share of Net OPEB Asset
PERSI – OPEB Plan-Sick Leave
Last 10 Fiscal Years*

	2020	2019	2018	2017
Employer's portion of net the OPEB asset	00.7406383%	00.7169534%	00.5396796%	00.4726574%
Employer's proportionate share of the net OPEB asset	$1,045,432	$903,161	$619,390	$449,637
Employer's covered-employee payroll	$10,237,538	$8,268,615	$5,945,846	$5,189,538
Employer's proportional share of net OPEB asset as a percentage of its covered-employee payroll	10.21%	10.92%	10.42%	8.66%
Plan fiduciary net position as a percentage of the total OPEB Asset	251.00%	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 College will present information for those years which information is available.

Data reported is measured as of June 30, 2020 (measurement date).

Schedule of Employer Contributions
PERSI – OPEB Plan-Sick Leave
Last 10 Fiscal Years*

	2021	2020	2019	2018
Statutorily required contribution	$0	$33,272	$53,746	$38,648
Contributions in relation to the statutorily required contribution	$0	($33,272)	($53,746)	($38,648)
Contribution (deficiency) excess	$0	$0	$0	$0
Employer's covered employee payroll	$10,582,898	$10,237,538	8,268,615	5,945,846
Contributions as a percentage of covered-employee payroll	.0%	.325%	.65%	.65%

*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 College will present information for those years which information is available.

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

Required Supplementary Information

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios
Last 10 Fiscal Years*

	2021	2020	2019	2018
Changes for the Year				
Service Cost	$ 38,558	$ 30,789	$ 55,842	$ 55,514
Interest on Total OPEB Liability	37,253	34,616	55,581	55,451
Plan Changes	(23,561)	-	-	-
Economic/Demographic Gains (Losses)	(226,480)	-	(17,752)	-
Assumption Changes	263,049	131,044	(134,709)	-
Expected Benefit Pmts	(48,521)	(45,844)	(56,406)	(56,804)
Change in proportion	449	(538,952)	(51,578)	-
Net Changes	40,747	(388,347)	(149,022)	54,161
Total OPEB Liability, Beginning Balance	1,038,594	1,426,941	1,575,963	1,521,802
Total OPEB Liability, Ending Balance	$ 1,079,341	$ 1,038,594	$ 1,426,941	$ 1,575,963

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

Data reported is measured as of June 30, 2020 (measurement date).

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

Board of Trustees
College of Eastern Idaho
Idaho Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to the financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the College of Eastern Idaho (the College), and the College of Eastern Idaho Foundation, Inc. (the Foundation), its discretely presented component unit, as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated October 21, 2021. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards,* and accordingly this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Foundation.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Wipfli LLP

Wipfli LLP
CPAs and Consultants

Idaho Falls, Idaho
October 21, 2021