Financial Statements
June 30, 2021

College of Southern Idaho

EideBailly®

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Board of Trustees
College of Southern Idaho
Twin Falls, Idaho

Report on the Financial Statements
We have audited the accompanying financial statements of the College of Southern Idaho (the College), and the discretely presented component unit as of and for the year ended June 30, 2021, 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. The financial statements of College of Southern Idaho Foundation, Inc. were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and the discretely presented component unit, as of June 30, 2021, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's financial statements. The statement DHC Auxiliary Enterprise Funds – Revenues and Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the financial statements.

The schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The DHC Auxiliary Enterprise Funds – Revenues and Expenses have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide an assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated on October 21, 2021 our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the College'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.

Eide Bailly LLP

Boise, Idaho
October 21, 2021

This discussion and analysis of the College of Southern Idaho's (the College or CSI) financial statements provide an overview of the College's financial performance during the fiscal years 2020 and 2021. This discussion has been prepared by management. The discussion and analysis is designed to focus on current activities, resulting changes, and current known facts and should be read in conjunction with the College's financial statements and accompanying footnotes.

Profile of the College

The College of Southern Idaho is a public institution of higher education offering courses on the main campus in Twin Falls and outreach centers in Burley, Gooding, Hailey, and Jerome. The College offers programs leading to degrees in Associates of Arts, Associates of Science, Associates of Applied Science, and various certificates, as well as an Advanced Food Technology Bachelor of Applied Science degree. During fiscal year 2021, the College served 12,944 students taking 123,862 credits. In addition to academic and Career Technical Education offerings, the College has a workforce development division serving 7,992 duplicated students enrolled in 120,773 hours of workforce development coursework.

The College is recognized for having a student-centered environment, outstanding faculty, and facilities. As a Hispanic Serving Institution (HSI), CSI has a diverse mix of students and takes great pride in offering innovative programs while maintaining an affordable and personalized experience for students. The College of Southern Idaho combines exceptional academics with successful Athletic programs, this past year Cross Country, Men's Basketball, Women's Basketball, and Rodeo all competed in National Tournaments.

Financial Highlights

The College's financial position at June 30, 2021, reflects improvement over the previous fiscal year. The improvements are the result of management's continuing efforts to enhance fiscal performance.

During fiscal year 2021:

- Operating revenues increased from $43.2 million to $51.1 million.
- Non-Operating revenues increased from $38.2 million to $40 million.
- Total Assets increased from $114.1 million to $121.7 million.

Accounting Treatment of Financial Aid

Public institutions must report all tuition and fee revenues net of any scholarship discounts and allowances. A scholarship allowance is defined as the difference between the stated charge for goods and services provided by the institution and the amount that is paid by the student and/or third parties making payments on behalf of the student. In considering what is or is not revenue, the following rule applies: amounts received to satisfy student tuition and fees will be reported as revenue only once (e.g., tuition and fees, gifts, federal grants and contracts such as Pell Grants, etc.) and only amounts received from students and third-party payers to satisfy tuition and fees will be recognized as tuition and fee revenue. Institutional resources provided to students, as financial aid will be recorded as scholarship allowances in amounts up to and equal to amounts owed by the students to the institution. In some circumstances, the amount of institutional aid awarded may exceed the tuition and fees owed by the students to the institution, and is refunded to the students. In such circumstances, the excess of aid over tuition and fees should be treated as an institutional expense (e.g., student aid, scholarships, and fellowships, etc.).

Overview of the Financial Statements and Financial Analysis

The financial statements for fiscal year ended June 30, 2021, are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. There are three financial statements presented: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These statements present financial information in a form similar to that used by most private-sector companies. These financial statements focus on the financial condition of the College, the results of operations, and cash flows of the College as a whole.

Statement of Net Position

The Statement of Net Position presents the assets (current and non-current), deferred outflows, liabilities (current and non-current), deferred inflows, and net position (assets and deferred outflow of resources minus liabilities and deferred inflow of resources) of the College as of the current fiscal year-end. The purpose of the Statement of Net Position is to present to the reader a point-in-time fiscal snapshot of the College.

Current assets consist of available cash and other assets that could be converted to cash within a year. Non-current assets are those assets and property, which cannot easily be converted into cash. Current liabilities are business obligations that are due to be cleared within one year. Non-current liabilities are obligations that are not required to be satisfied within one year.

The Statement of Net Position is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided, and expenses and liabilities are recognized when others provide the service.

From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the College. They are also able to determine how much the College owes vendors and lending institutions. Finally, the Statement of Net Position provides a picture of the net position and its availability for expenditure by the College. Over time, increases or decreases in net position are indications of either improvement or erosion of the College's financial well-being when considered along with non-financial factors such as enrollment levels, the College's property tax base, and the condition of the facilities.

Net position is divided into three major categories. The first category is Net Investment in Capital Assets, which provides the College's investment in capital assets. The second category, Restricted Net Position, 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 third category, Unrestricted Net Position, which is net position available to the College for any lawful purpose of the institution.

Summary of Statements of Net Position
As of June 30th

	2021	2020
Current, non-current and other assets	$ 61,717,821	$ 57,513,613
Capital assets	60,001,925	56,539,987
Total assets	121,719,746	114,053,600
Deferred outflow of resources	4,749,677	3,008,093
Total assets and deferred outflow of resources	$ 126,469,423	$ 117,061,693
Current liabilities	$ 3,363,585	$ 3,368,932
Non-current liabilities	13,911,230	8,954,188
Total liabilities	17,274,815	12,323,120
Deferred inflow of resources	1,625,545	3,387,234
Net Position		
Net investment in capital assets	60,001,925	56,539,987
Restricted-expendable	5,627,303	4,982,933
Unrestricted	41,939,835	39,828,419
Total net position	107,569,063	101,351,339
Total liabilities, deferred inflow of resources, and net position	$ 126,469,423	$ 117,061,693

The College's total assets and deferred outflows of resources increased during fiscal year 2021 by $9,407,730, from $117,061,693 in 2020 to $126,469,423 in 2021. Specifically contributing to the increase in assets was the increase in cash and cash equivalents and property and equipment. The College's total liabilities increased during fiscal year 2021 by $4,951,695 from $12,323,120 in 2020 to $17,274,815 in 2021. This increase is attributed to an increase in net pension liability of $5,190,848. Deferred Inflows of Resources decreased from $3,387,234 in fiscal year 2020 to $1,625,545 in fiscal year 2021. This was the result of a decrease in Deferred Inflows of Resources associated with the pension liability.

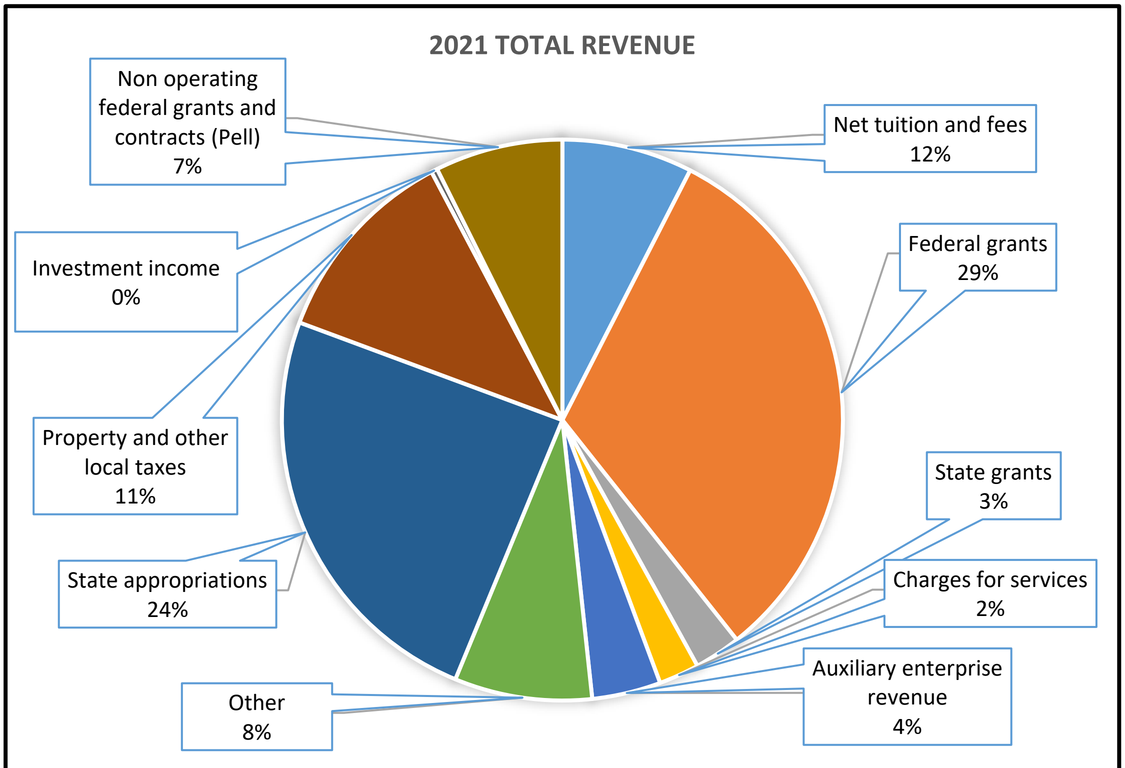
The increase in assets is a result of senior management's continuing emphasis on sound fiscal management. Additionally, College senior management has focused on incurring ongoing expense only when necessary, and makes every effort to ensure that ongoing spending is well within actual revenue. This includes the need to create operating reserves for the College to be able to weather any future downturns in funding.

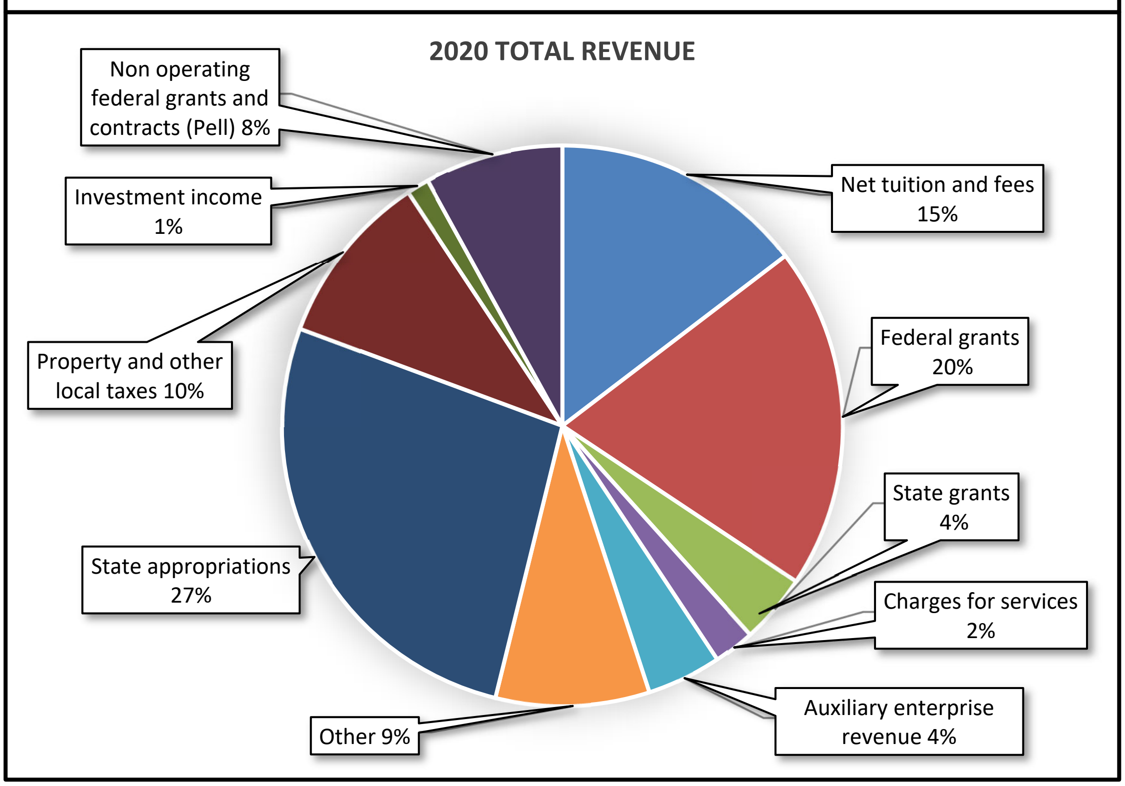
Statement of Revenues, Expenses, and Changes in Net Position

Changes in total net position as presented in the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. All changes in net position are reported under the accrual basis of accounting, or as soon as the underlying event giving rise to the change occurs, regardless of the timing when cash is received or disbursed. Therefore, revenues and expenses are reported in this statement for some items that will result in cash flow in future fiscal years. The purpose of the statement is to present the revenues earned and the expenses incurred during the year.

Activities are reported as either operating or non-operating. The College will always reflect a net operating loss in this format since state appropriations and property tax, the revenue streams that the College depends upon most significantly, are classified as non-operating revenues.

Generally, operating revenues are generated by providing services to various customers, students, and constituencies of the College, including but not limited to student tuition, fees, and federal and state grants. Operating expenses are those expenses paid to acquire or produce the services provided in return for operating revenues, and to carry out the functions of the College. Non-operating revenues are revenues received for which services are not provided. Examples of non-operating revenues include but are not limited to state appropriations, property tax revenue, state and federal financial aid, investment income and other miscellaneous revenues.

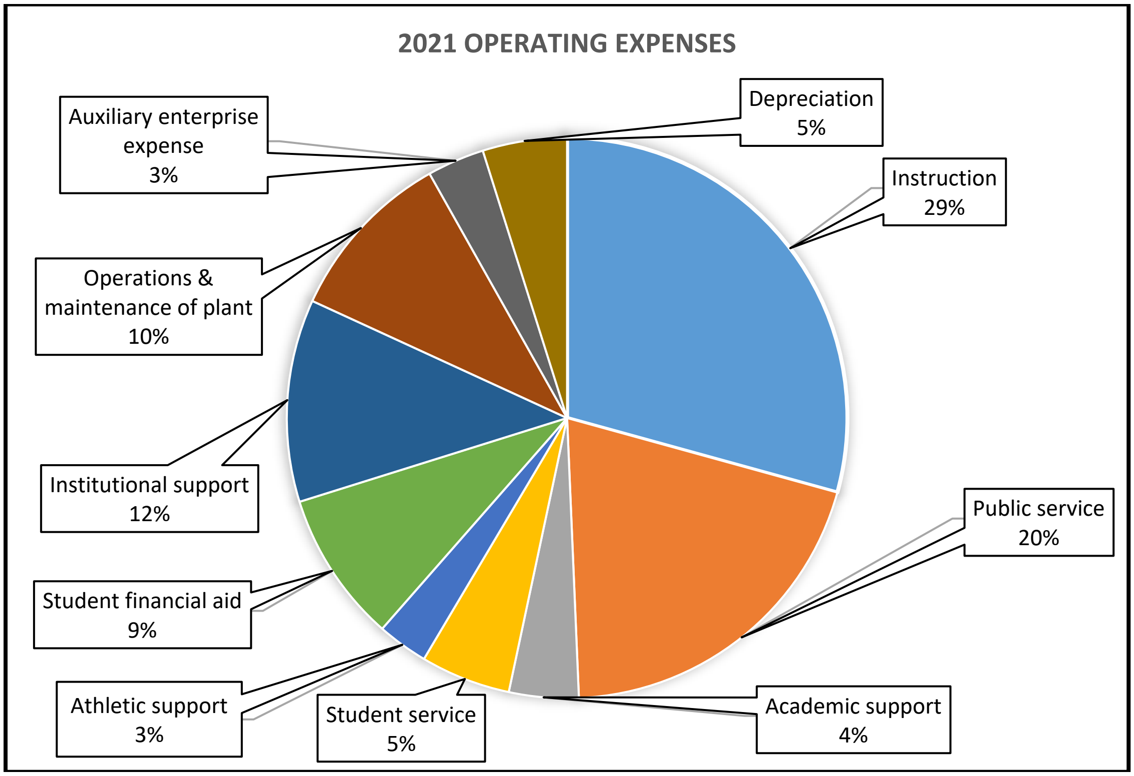

2021 TOTAL REVENUE
Non operating federal grants and contracts (Pell) 7%
Net tuition and fees 12%
Federal grants 29%
Investment income 0%
Property and other local taxes 11%
State grants 3%
State appropriations 24%
Charges for services 2%
Auxiliary enterprise revenue 4%
Other 8%

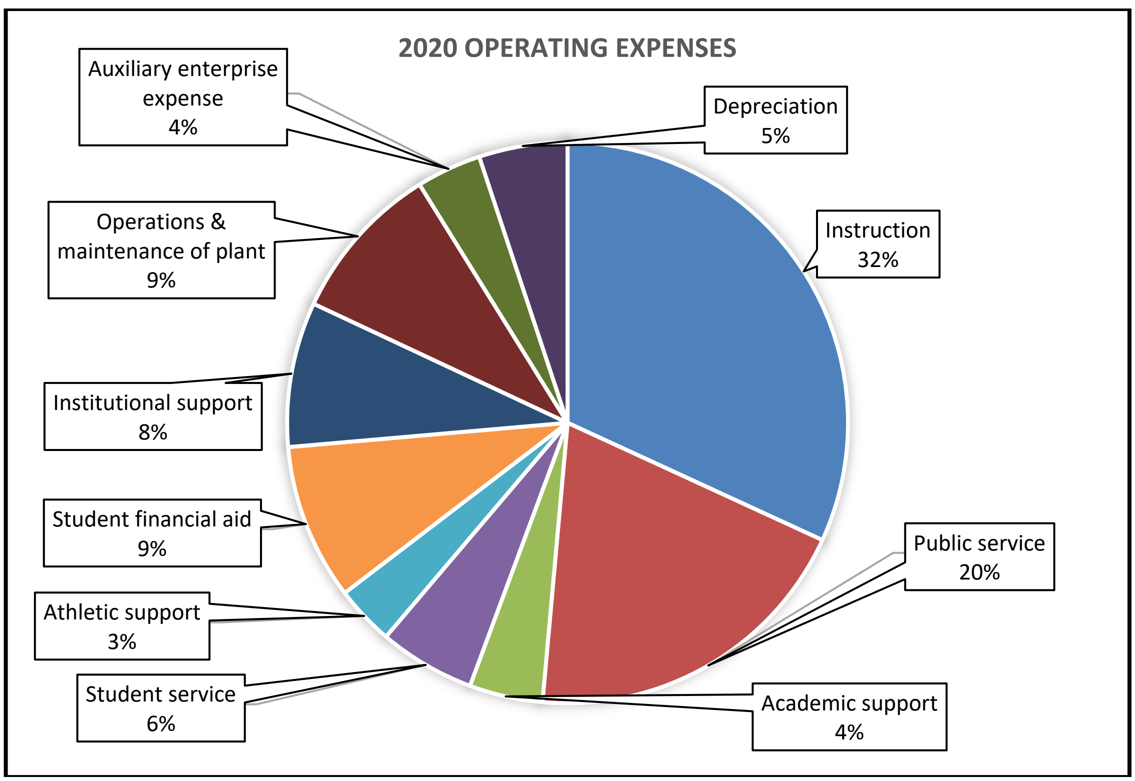

2020 TOTAL REVENUE
Non operating federal grants and contracts (Pell) 8%
Net tuition and fees 15%
Investment income 1%
Federal grants 20%
Property and other local taxes 10%
State grants 4%
State appropriations 27%
Charges for services 2%
Auxiliary enterprise revenue 4%
Other 9%

Summary of Statements of Revenues, Expenses, and Changes in Net Position
Fiscal Years Ended June 30

	2021	2020
Operating revenues	$ 51,117,719	$ 43,278,970
Operating expenses	85,478,296	78,133,830
Operating income (loss)	(34,360,577)	(34,854,860)
Non-operating revenues (expenses)		
State appropriations	20,859,200	21,554,001
Property and other local taxes	9,918,872	8,076,475
Investment income	301,580	1,041,486
Private gifts, grants, and contracts	424,770	267,861
Non-operating federal grants and contracts (Pell)	6,295,089	6,432,883
Other non-operating revenues (donations, rent)	2,208,836	781,175
Total non-operating revenues (expenses)	40,008,347	38,153,881
Capital contributions	569,954	936,601
Change in net position	6,217,724	4,235,622
Net position, beginning of year	101,351,339	97,115,717
Net position, end of year	$ 107,569,063	$ 101,351,339

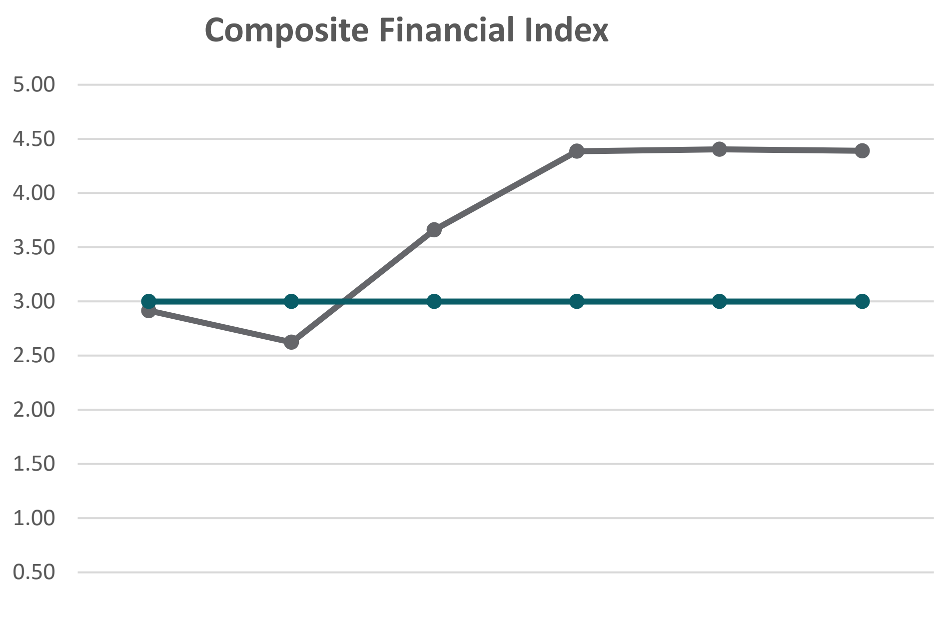
The Statement of Revenues, Expenses, and Changes in Net Position reflects an overall increase in net position during fiscal year 2021. Operating revenues increased by $7.8 million from $43,278,970 in 2020 to $51,117,719 in 2021. This change was a result of an increase in federal grant revenue, specifically the receipt of COVID Relief Funds. Operating expenses increased by $7.3 million from $78,133,830 in 2020 to $85,478,296 in 2021. The increase in operating expenses was largely due to increased purchases made to convert to online instruction, PPE, and supplies due to the COVID-19 pandemic.


2021 OPERATING EXPENSES
Depreciation 5%
Instruction 29%
Public service 20%
Academic support 4%
Student service 5%
Athletic support 3%
Student financial aid 9%
Institutional support 12%
Operations & maintenance of plant 10%
Auxiliary enterprise expense 3%


2020 OPERATING EXPENSES
Auxiliary enterprise expense 4%
Depreciation 5%
Instruction 32%
Operations & maintenance of plant 9%
Institutional support 8%
Student financial aid 9%
Athletic support 3%
Student service 6%
Public service 20%
Academic support 4%

Financial Health Indicators

Many ratios are used to evaluate the financial health of institutions of higher learning, the Composite Financial Index (CFI) utilizes four ratios to measure the financial health of an organization. The College of Southern Idaho does not have any long term debt so only the primary reserve ratio, net operating revenues ratio, and the return on net assets ratio are utilized. The CFI, weights and combines the ratios into a single metric, which provides a more balanced view of the institution's financial health. The graph that follows shows the CFI of the College of Southern Idaho over the past six years compared to the benchmark established by the State Board of Education for universities in the State of Idaho.



	FY16	FY17	FY18	FY19	FY20	FY21
CSI Ratio	2.91	2.62	3.66	4.39	4.40	4.39
Benchmark	3.0	3.0	3.0	3.0	3.0	3.0

Capital Assets

The College's investment in Capital Assets as of June 30, 2021, equates to $60,001,925, net of accumulated depreciation. Investment in Capital Assets normally includes land, buildings, improvements, machinery and equipment, library holdings, and infrastructure. See Note 4 for further information.

Debt Administration

The College of Southern Idaho has one operating lease obligation for instructional and administrative office space at fiscal year end June 30, 2021. The College is not financing any of its operations with debt as of fiscal year end June 30, 2021.

Economic Outlook

According to the April 2021 Idaho Economic Forecast, published by the Division of Financial Management, the next few years are expected to be years of uncertainty, with the housing and job markets as well as unemployment fluctuating in Idaho due to the COVID-19 pandemic.

The College experienced steady enrollment in fiscal year 2021 and is anticipating an increase in the coming year due to enhanced efforts made in recruitment and retention. Enrollment fluctuations were anticipated in the College's budgeting process and appropriate steps were taken early on to ensure fiscal stability and sustainability for the College. The College continues to actively implement improvements and new programs to increase retention.

The College of Southern Idaho went out to bid for a new ERP, SIS, and CRM, awarding the bid to Anthology. These new systems will help to enhance our student experience as well as create efficiencies in many of the departments throughout campus. The College continues to revitalize its campus with many building renovations in progress or scheduled to start in the upcoming year. Management continues to look for cost cutting opportunities. Net position for the College is adequate to meet known obligations, including federal financial aid to students and to fund new one-time costs. Management continues to actively plan for future funding needs.

Contacting the College's Financial Management

This financial report is designed to provide the College's citizens, taxpayers, customers, investors, and potential creditors with a general overview of the College's finances and to demonstrate the College's accountability for the money it receives. Questions about this report, or the need for additional financial information should be directed to Jeffrey Harmon, Vice President of Finance and Administration, College of Southern Idaho, 315 Falls Avenue, PO Box 1238, Twin Falls, ID 83303.

Assets and Deferred Outflows of Resources	
Current Assets	
Cash and cash equivalents	$ 11,358,719
Investments	37,854,537
Accounts receivable, net of allowance for uncollectible amount of $ 126,132	6,069,638
Property tax receivable	3,238,255
Inventory	221,086
Prepaids	36,994
Total current assets	58,779,229
Noncurrent assets	
Property and equipment, net of accumulated depreciation	60,001,925
Net OPEB sick reserve asset	2,938,592
Total noncurrent assets	62,940,517
Total assets	121,719,746
Deferred Outflows of Resources	
Pension obligations	4,190,280
Deferred OPEB single employer plan	126,809
Deferred OPEB sick leave reserve fund	432,588
Total deferred outflows of resources	4,749,677
Total Assets and Deferred Outflows of Resources	$ 126,469,423

Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Accounts payable	$ 891,899
Deposits payable	107,296
Accrued salaries	1,090,761
Accrued benefits	505,615
Due to student groups	367,486
Unearned revenue	400,528
Total current liabilities	3,363,585
Non Current Liabilities	
Accrued vacation	1,289,223
Net pension liability	10,535,300
Net other post employment benefits liability	2,086,707
Total noncurrent liabilities	13,911,230
Total liabilities	17,274,815
Deferred Inflows of Resources	
Deferred net retirement	716,229
Deferred net sick leave	283,838
Deferred net pension	625,478
Total deferred inflows of resources	1,625,545
Net Position	
Net investment in capital assets	60,001,925
Restricted - expendable	
OPEB net asset, sick leave	3,087,342
State, federal, and local programs	2,539,961
Unrestricted	41,939,835
Total net position	107,569,063
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 126,469,423

Operating Revenues	
Tuition and fees	$ 17,113,723
Less: Scholarship allowance	(6,389,009)
Net tuition and fees	10,724,714
Federal grants	25,948,375
State grants	2,295,488
Charges for services	1,990,178
Auxiliary enterprise revenue	3,382,999
Other	6,775,965
Total operating revenues	51,117,719
Operating Expenses	
Instruction	25,028,391
Public service	17,140,359
Academic support	3,426,312
Student service	4,435,862
Athletic support	2,506,314
Student financial aid	7,444,826
Institutional support	9,985,702
Operations and maintenance of plant	8,536,289
Auxiliary enterprise expense	2,820,528
Depreciation	4,153,713
Total operating expenses	85,478,296
Operating Loss	(34,360,577)
Non-Operating Revenues (Expenses)	
State appropriations	20,859,200
Property and other local taxes	9,918,872
Investment income	301,580
Private gifts, grants, and contracts	424,770
Non operating federal grants and contracts (Pell)	6,295,089
Other non-operating revenues (donations, rent)	2,208,836
Total non-operating revenues	40,008,347
Increase in Net Position Before Capital Contributions	5,647,770
Capital Contributions	569,954
Change in Net Position	6,217,724
Net Position, Beginning of Year	101,351,339
Net Position, End of Year	$ 107,569,063

Operating Activities	
Tuition, fees and services	$ 10,786,696
Grants and contracts	25,390,352
Payments to suppliers	(29,605,906)
Payments to and on behalf of employees	(49,853,688)
Charges for services	1,990,178
Auxiliary enterprise revenue:	
Bookstore and residence halls	3,382,999
Other receipts	6,775,965
Net Cash used for Operating Activities	(31,133,404)
Noncapital Financing Activities	
State appropriations	20,859,200
Property and other local taxes	9,472,787
Grants and contracts	6,719,859
Gifts and grants received for other than capital purposes	2,208,836
Net Cash from Noncapital Financing Activities	39,260,682
Capital and Related Financing Activities	
Purchases of capital assets	(7,045,697)
Net Cash used for Capital and Related Financing Activities	(7,045,697)
Investing Activities	
Investment net of income and expenses	301,580
Purchase of investments	(19,270,101)
Sales of investments	26,552,410
Net Cash from Investing Activities	7,583,889
Net Change in Cash	8,665,470
Cash, Beginning of Year	2,693,249
Cash, End of Year	$ 11,358,719

Reconciliation of net operating loss to net cash used for operating activities	
Operating loss	$ (34,360,577)
Adjustments to reconcile net operating loss to net cash used for operating activities	
Depreciation expense	4,153,713
GASB 68 - actuarial pension expense (revenue)	1,700,179
GASB 75 - Single Employer OPEB expense (revenue)	34,316
GASB 75 - PERSI/OPEB sick leave reserve fund expense (revenue)	(86,957)
Change in assets and liabilities	
Receivables, net	(2,582,659)
Inventories	33,716
Prepaids	57,829
Accounts payable	212,176
Accrued vacation	(77,617)
Unearned revenue	(208,870)
Deposits held for others	20,863
Accrued compensation	(29,516)
Net Cash used for Operating Activities	$ (31,133,404)
Non-Cash Disclosures	
Donated Property	$ 569,954

	2021
Assets	
Cash	$ 569,382
Operating investments	30,676,550
Endowment	
Investments	17,146,453
Donated property	995,250
Total endowment	18,141,703
Total assets	$ 49,387,635
Liabilities and Net Assets	
Liabilities	
Accounts payable	$ 10,160
Annuities payable	23,348
Total liabilities	33,508
Net Assets	
Without donor restrictions	
Board designated for future scholarships	10,574,504
Board designated for operations	1,818,285
With donor restrictions	
Perpetual in nature	18,196,857
Purpose restrictions	18,819,635
Underwater endowments	(55,154)
Total net assets	49,354,127
Total liabilities and net assets	$ 49,387,635

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Contributions	$ 77,527	$ 1,140,059	$ 1,217,585
Investment return, net	2,225,738	6,649,435	8,875,173
In-kind salaries and occupancy	241,731	-	241,732
Net assets released from restrictions	1,651,648	(1,651,648)	-
Total revenue, support, and gains	4,196,644	6,137,846	10,334,490
Expenses			
Program services expense			
Scholarships and grants	2,053,375	-	2,053,375
Other program payments	426,074	-	426,074
Total program services expense	2,479,449	-	2,479,449
Supporting services expense			
Management and general	223,012	-	223,012
Fundraising	75,204	-	75,204
Total supporting services expense	298,216	-	298,216
Total expenses	2,777,665	-	2,777,665
Change in Net Assets	1,418,979	6,137,846	7,556,825
Net Assets, Beginning of Year	10,973,810	30,823,492	41,797,302
Net Assets, End of Year	$ 12,392,789	$ 36,961,338	$ 49,354,127

Note 1 - Principal Business Activity and Significant Accounting Policies

College of Southern Idaho (the College) is part of the public system of higher education in the State of Idaho. The College is a regional undergraduate institution located in Twin Falls, Idaho. The significant accounting policies followed by the College are described below to enhance the usefulness of the financial statements to the reader.

Reporting Entity

The College's financial statements for fiscal year ended June 30, 2021, are prepared in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles in the United States of America (GAAP).

As defined by GAAP established under GASB, the financial reporting entity consists of the primary government, as well as its component unit, the College of Southern Idaho Foundation, Inc. (the Foundation). The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income thereon the Foundation holds and invests is restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a private not-for-profit organization that reports its financial statements in accordance with the pronouncements of Financial Accounting Standards Board (FASB). As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. Accordingly, those financial statements have been reported on separate pages following the financial statements of the College. No modifications have been made to the Foundation's financial information included in the College's report; however significant note disclosures to the Foundation's financial statements have been incorporated into the College's notes to the financial statements.

Basis of Accounting and Presentation

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. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally property taxes, federal and state grants, and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements. Operating revenues and expenses include exchange transactions and program-specific.

Nonexchange transactions are those in which the College receives value without directly giving equal value in return. These include property taxes, federal, state and local grants, state appropriations, and other contributions. On an accrual basis, revenue from property taxes is recognized in the period for which the levy is intended to finance. Revenues from grants, state appropriations, and other contributions are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the College must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

Cash and Cash Equivalents

The College considers all highly liquid investments with an original maturity of three months or less at the date of acquisition to be cash equivalents.

Investments

The College accounts for its investments at fair value. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position. The College also has funds on deposit with the Idaho State Treasurer's Local Government Investment Pool (LGIP) and considers all such funds with the LGIP as investments.

Receivables

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

The College estimates an allowance for uncollectible amounts based upon an evaluation of the current status of receivables, historical experience, and other factors as necessary.

Property Tax Receivable

Property taxes that are levied for 2017 through 2020 and have not been collected as of June 30 are carried as receivables. Assessed values are established by the County Assessor in Twin Falls and Jerome County (the District). Property tax payments are due in one-half installments in December and June. The District's property tax is levied each November on the assessed value listed as of the prior September for all taxable property located in the District.

Inventories

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

Capital Assets

Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated acquisition value at the date of the gift. For equipment, 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. For buildings and improvements, the College's capitalization policy includes all items with a unit cost of $50,000 or more and an estimated useful life of greater than one year. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The following estimated useful lives are being used by the College:

Buildings and improvements	15-30 years
Furniture, fixtures and equipment	7 years
Library materials	10 years

Prepaid Expenses

Prepaid items include payments made in the current fiscal year for expenditures attributable to future periods.

Unearned Revenue

Unearned revenue represents unearned student fees and advances on grants and contract awards for which the College has not met all of the applicable eligibility requirements.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. The College has three items that qualify for reporting in this category: the deferred net pension obligation, deferred net other post-employment benefits (OPEB) obligation and deferred net OPEB sick reserve fund reported on the Statement of Net Position. The deferred net pension, OPEB and OPEB sick reserve obligations result from changes in assumptions or other inputs in the actuarial calculation of the College’s net pension, OPEB and OPEB sick reserve liabilities.

In addition to liabilities, the Statement of Net Position will report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The College has three items that qualifies for reporting in this category: the pension obligation, deferred OPEB single employer plan, and the deferred OPEB sick leave reserve fund. The employer pension obligation results from the differences between the expected and actual experience, the net difference between projected and actual earnings on pension plan investments derived from the actuarial calculation of the College’s net pension liability, and changes in the employer’s proportion. The deferred OPEB single employer plan results from changes in assumptions and differences between expected and actual experience used in the actuarial calculation of the College’s OPEB liability. The deferred OPEB sick leave reserve fund results from differences between projected and actual investment earnings on OPEB plan investments and the difference between expected and actual experience. These amounts are deferred and recognize as an inflow of resources in the period that the amounts become available.

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.

Other Post Employment Benefits (OPEB)

For purposes of measuring the total OPEB liability health plan, deferred outflows of resources and deferred inflows of resources related to OPEB health plan, and OPEB health plan expense, information about the fiduciary net position of the College and additions to/deductions from College's fiduciary net position have been determined on the same basis as they are reported by College. For this purpose, the College recognizes benefit payments when due and payable in accordance with the benefit terms.

For purposes of measuring the net OPEB asset sick leave, deferred outflows of resources and deferred inflows of resources related to OPEB sick leave, and OPEB sick leave expense; (expense offset), information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI) 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.

Net Position

Net position is identified as the residual of all elements presented in the Statement of Net Position. The College's net position is classified as follows:

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

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

Unrestricted - Unrestricted represents 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 at the discretion of the institution to meet current expenses for any lawful purpose and in accordance with State Board of Education Policy. Included in unrestricted net position is $16,076,216 of board-designated funds associated with future capital projects.

Classification of Revenues

The College has classified its revenues as either operating or non-operating according to the following criteria:

Operating Revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as: student tuition and fees, net of scholarship discounts and allowances; sales and services of auxiliary enterprises, 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 revenues by GASB Statement No. 34 and 35, such as state appropriations, property taxes and most federal, state and local grants, and investment income.

Revenue Recognition

Significant revenues of the College that are susceptible to accrual are recognized as revenue as follows:

- State collected and shared taxes such as sales tax, motor vehicle taxes and liquor tax are accrued at the time received and held for allocation by the State of Idaho.
- Student fees and tuition are recognized as revenue in the appropriate fiscal year which the student attends.
- Sales and charges are recognized when service is performed and not when received.
- Investment income is accrued as income when earned and not when received.
- Grant revenues are recognized when expenditure is incurred or when received depending on grant.

Use of Estimates

The preparation of financial statements in conformity 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Income Taxes

As a state institution of higher education, the income of the College is generally exempt from federal and state income taxes under Section 115 (a) of the Internal Revenue Code and a similar provision of state law. 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 College of its exempt purpose or function. The College did not incur unrelated business income tax expense in the fiscal year ended June 30, 2021.

Scholarship Discounts and Allowances

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

Note 2 - Cash and Investments

Idaho code, Title 50, Chapter 10 authorizes the College's investments and deposits. The College is authorized to invest in demand deposits, savings accounts, U.S. Government obligations and its agencies, obligations of the State of Idaho and its agencies, fully collateralized repurchase agreements, prime domestic commercial paper, prime domestic bankers acceptances, bonds, debentures or notes of any corporation organized, controlled and operating within the U.S. which have at their purchase date an "A" rating or higher, government pool and money market funds consisting of any of these securities listed. No violations of these categories have occurred during the year.

Cash Deposits

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

	Bank Balance	Carrying Amount
Cash		
Insurred or collateralized	$ 12,454,902	$ 11,327,377
Uninsured or uncollateralized	-	31,342
Total deposits	$ 12,454,902	$ 11,358,719
Investments		
Nonbrokered Certificates of Deposit		
Insured or collateralized	$ 1,381,342	$ 1,381,342

Investments

At June 30, 2021, the College's investments consisted of the following:

College Investments	Value	Investment Maturities < 1 year	Investment Maturities 1-5 years	Percentage
Brokered Certificates of Deposits	$ 9,342,056	$ 5,093,970	$ 4,248,086	24.68%
Certificates of Deposits Held at Local Banks	1,381,342	1,381,342	-	3.65%
State Treasurer Investment Pool	19,720,999	19,720,999	-	52.10%
Fixed Income	7,410,140	2,428,895	4,981,245	19.58%
	$ 37,854,537	$ 28,625,206	$ 9,229,331	100%

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. At June 30, 2021, the College's deposits were fully insured and collateralized. The College does not have a policy that specifically addresses custodial credit risk, however; the College follows Idaho code, Title 50, Chapter 10 discussed above.

The Joint Powers Investment Pool was established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Local Government Investment Pool is managed by the State of Idaho Treasurer's office. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U.S. Government securities. The certificates of deposit held at local banks are federally insured. The publicly traded certificates of deposits and the fixed income securities are held by the College or its counterparty in the College's name.

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligation. It is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's and Fitch's. Ratings provided by Moody's unless otherwise indicated. The College does not have a policy to address credit risk.

College Investments	Fair Value	AAA	AA+	AA	AA-	A+	A	A-	A-1	BB-	BBB	BBB+	Unrated
Brokered Certificates of Deposits	$ 9,342,056	$ 1,005,429	$ 1,002,330	$ 305,955	$ 998,917	$ 1,152,305	$ 1,075,940	$ 935,073	$ 498,000	$ 249,750	$ 120,400	$ 249,978	$ 1,747,979
State Treasurer Investment Pool	19,720,999	-	-	-	-	-	-	-	-	-	-	-	19,720,999
Fixed Income	7,410,140	7,410,140	-	-	-	-	-	-	-	-	-	-	-
	$ 36,473,195	$ 8,415,569	$ 1,002,330	$ 305,955	$ 998,917	$ 1,152,305	$ 1,075,940	$ 935,073	$ 498,000	$ 249,750	$ 120,400	$ 249,978	$ 21,468,978

Interest Rate Risk

Interest rate risk is the risk of loss in fair value should market interest rates change in the future. Investments with long-term, fixed interest rates are the most volatile. The funds within the Idaho State Treasurer's Local Government Investment Pool have an average maturity of one year or less, thereby minimizing interest rate risk. The funds within the College's investments in U.S. Government Obligations have been structured to mature at regular intervals to minimize interest rate risk. Currently, the College does not have a formal policy that addresses interest rate risk.

Concentration of Credit Risk

When investments are concentrated in one issuer, this concentration represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principle that governments should provide note disclosure when five percent of the total entity's investments are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. Government, mutual funds, and other pooled investments are exempt from disclosure. The College's policy and procedures follow the applicable State Codes.

Investment Valuation

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the College can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, the College develops inputs using the best information available in the circumstances.

Investments' fair value measurements are as follows at June 30, 2021:

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Brokered Certificates of deposit	$ 9,342,056	$ -	$ 9,342,056	$ -
Fixed Income				
U.S. Government obligations	7,410,140	-	7,410,140	-
Total	$ 16,752,196	$ -	$ 16,752,196	$ -

The College uses the market approach to measuring the fair value of investments. It relies on the statements from the institutions or advisors charged with investing or managing the funds. These institutions and advisors use market pricing to provide the fair values to the College.

The College's investment in the State Treasurer Investment Pool is required to report its investments at fair value because the weighted average maturity of the investments is greater than 90 days and thus, the College is required to report its deposits at fair value. However, the College has reported these deposits at cost plus accrued interest which approximates fair value.

Note 3 - Accounts Receivable

The following summarizes the accounts receivable as of June 30, 2021:

Federal, state and private grants	$ 5,725,658
Student	200,672
Other	269,440
Less allowance	(126,132)
Total accounts receivable	$ 6,069,638

Note 4 - Capital Assets

Property, plant and equipment at June 30, 2021, consisted of the following:

	Balance June 30, 2020	Additions	Transfers/ Retirements	Balance June 30, 2021
Property, plant and equipment not being depreciated				
Land	$ 3,310,759	$ -	$ -	$ 3,310,759
Construction in progress	951,980	1,070,316	(907,763)	1,114,533
Total property, plant and equipment not being depreciated	4,262,739	1,070,316	(907,763)	4,425,292
Other property, plant and equipment				
Buildings and improvements	104,658,899	5,717,217	907,763	111,283,879
Equipment	8,296,271	828,118	-	9,124,389
Library resources	586,733	-	-	586,733
Total other property, plant and equipment	113,541,903	6,545,335	907,763	120,995,001
Less accumulated depreciation				
Buildings and improvements	55,691,328	3,301,858	-	58,993,186
Equipment	5,064,133	835,835	-	5,899,968
Library resources	509,194	16,020	-	525,214
Total accumulated depreciation	61,264,655	4,153,713	-	65,418,368
Other property, plant and equipment net of accumulated depreciation	52,277,248	2,391,622	907,763	55,576,633
Property, plant and equipment, net	$ 56,539,987	$ 3,461,938	$ -	$ 60,001,925

Note 5 - Property Taxes

Idaho counties are responsible for collecting property taxes, assessing penalties and if necessary, sale of the property. In addition, the County maintains all the records and is responsible for remitting property tax amounts to the various taxing entities within the County boundaries.

All real property is assigned a parcel number in accordance with State law, with each parcel being subject to physical reappraisal every five years. A factoring system is used to adjust the appraised value during the years between physical appraisals.

The assessed valuation of the property and its improvements is being assessed at one percent of "taxable value" as defined by statute. The amount of tax levied is developed by multiplying the assessed value by the tax rate applicable to the area in which the property is located.

Taxes on real property are a lien on the property and attach on January 1 of the year for which the taxes are levied.

Taxes on property are due on the 20th of December, however, they may be paid in two installments with the second installment due June 20th. Penalties and interest are assessed if a taxpayer fails to pay an installment within ten days of the installment due date. After a three-year waiting period, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated penalties, interest and costs before sale.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation. Twin Falls and Jerome counties collect property taxes for the College.

Note 6 - 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% (2.3% for police/firefighters) 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, 2021, 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% for general employees and 12.28% for police and firefighters. The College's contributions were $1,981,431 for the year ended June 30, 2021.

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

At June 30, 2021, 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 the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College's 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. For the years ended June 30, 2021 and 2020, the College's proportion was .4536908 percent and .468207 percent, respectively.

For the year ended June 30, 2021, the College recognized pension expense (revenue) of $1,700,179. At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 823,130	$ 344,001
Changes in assumptions or other inputs	178,171	-
Net difference between projected and actual earnings on pension plan investments	1,207,548	-
Changes in the employer's proportion differences between the employer's contributions and the employer's proportionate contributions - 2020	-	107,784
Changes in the employer's proportion differences between the employer's contributions and the employer's proportionate contributions - 2021	-	173,693
College contributions subsequent to the measurement date	1,981,431	-
Total	$ 4,190,280	$ 625,478

$1,981,431 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

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 4.7 years.

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 Ending June 30	
2022	$ (50,653)
2023	359,111
2024	525,348
2025	749,565

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 the June 30, 2020 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 expense
Cost of Living Adjustments	1%

**There is an additional component of assumed salary grown (on top of the 3.75% that varies for each individual member based on years of service.

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

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

An experienced 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, 2020 is based on the results of an actuarial valuation date of 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 on the following page. 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. The capital market assumptions are as of 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%
Portfolio Long-Term (Geometric) Expected Rate of Return		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%

Investment Policy Assumption from PERSI November 2019

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 Geometric Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	**7.05%**

Discount Rate

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:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	$ 21,605,015	$ 10,535,300	$ 1,382,450

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 payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Optional Retirement Plan

Effective July 1, 1997, the Idaho State Legislature authorized the Idaho State Board of Education's to establish 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.

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 Associations - College Retirement Equities Fund and Variable Annuity Life Insurance Company.

Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 62 years of age. The College of Southern Idaho contributions required and paid were $1,504,173 for the year ended June 30, 2021.

Termination Benefits

Employees who qualify for retirement under PERSI or ORP are eligible to use 50% of the cash value (maximum 600 hours) of their unused sick leave to continue their medical insurance coverage through the college for employees hired prior to June 30, 2010. The College funds these obligations by depositing 0.65% of the employee's gross payroll to PERSI who administers the plan as a cost-sharing, multiple-employer plan.

Note 7 - Post-Employment HealthCare Plan

Plan Description

The College operates a single-employer retiree benefit plan that provides post-employment medical, dental, and vision plans upon retirement from active service. To be eligible for the College's retiree group medical, dental, and vision plans, a retiree must satisfy the PERSI retirement eligibility requirements of 55 years of age (or disability) and 10 years of service.

If the active employee is in optional retirement plan (ORP), the retiree must be age 59.5. Retiree medical, dental, and vision coverage ends for the retiree, spouse, and child(ren) once the retiree is eligible for Medicare, typically at the age of 65. Surviving spouses of deceased retirees and disabled members are not eligible for medical, dental, or vision coverage.

Funding Policy

The College has not established a fund to supplement the costs for the net OPEB obligation. Contributions are made on a pay-as-you-go basis. The required contribution is based on projected pay-as-you-go financing requirements. Retirees are required to pay 100 percent of the premiums based on the combined active and retiree pool for both the retiree and the dependent coverage. Monthly rates in effect for retirees under age 65 during fiscal year 2021 were as follows:

Pre - 65 Rates	Select Health PPO	Select Health HDHP	Delta Dental	Willamette	LifeMap Choice Vision
Retiree Only	$ 704.40	$ 629.90	$ 40.73	$ 40.33	$ 7.83
Retiree + Spouse	$ 1,387.70	$ 1,240.80	$ 81.49	$ 80.68	$ 15.69
Retiree + Child	$ 851.70	$ 761.60	$ 64.80	$ 64.16	$ 16.78
Retiree + Children	$ 1,324.30	$ 1,184.10	$ 89.63	$ 88.74	$ 16.78
Family	$ 1,944.50	$ 1,738.80	$ 122.22	$ 121.01	$ 26.81

Total OPEB Liability

The College's total OPEB liability of $2,086,707 was valued as of July 1, 2020 and the measurement date was as of June 30, 2020.

Actuarial assumptions and other inputs

The total OPEB liability as of July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.20%
Salary Increases	2.95% general wage growth plus increase due to promotions and longeivty
Discount Rate	2.21%, based on the 20 year Tax-Exempt Municipal Bond Yield Index
Health Cost Trend Rates	Medical trend is 0% from year ending June 30, 2021 then gradually increasing to an ultimate rate of 4.9% for 2024 and settled at 3.7% in 2100 and beyond. Dental and vision trend is 0% from year ending June 30, 2020 then 3.5% thereafter.
Mortality	Mortality is RP-2000 Mortality for employees, healthy annuitants and disabled annuitants with disabled annuitants with generational projection per Scale AA with adjustments as referenced to Table A-7B of the July 1, 2020 valuation report.

The change in the total OPEB liability during the year was as follows:

Balance as of June 30, 2020	$ 2,242,896
Changes for the year:	
Service Cost	183,847
Interest on total OPEB liability	83,218
Effect on plan changes	-
Effect of economic/demographic gains or losses	(122,761)
Effect of assumptions changes or inputs	(201,478)
Expected benefit payments	(99,015)
Balance as of June 30, 2021	$ 2,086,707

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the College, calculated using the discount rate of 2.21%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower (1.21%) or 1- percentage point higher (3.21%) than the current healthcare cost trend rates:

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
Total OPEB liability	$ 2,244,054	$ 2,086,707	$ 1,936,297

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the College, calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1-percentage point lower or 1-percentage point higher than current healthcare cost trend rates:

	1% Decrease	Current Rend Rates	1% Increase
Total OPEB liability	$ 1,828,134	$ 2,086,707	$ 2,395,207

OPEB Expense

For the year ended June 30, 2021, the College recognized OPEB expense (revenue) of $34,316. At June 30, 2021, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 212,961
Changes of Assumptions	44,772	503,268
College contributions subsequent to the measurement date	82,037	-
Total	$ 126,809	$ 716,229

$82,037 reported as deferred inflows of resources related to pensions resulting from contributions made subsequent to the measurement date will be recognized as an addition of the net OPEB liability in the year ending June 30, 2022.

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense below.

Measurement Period Ending June 30:		
2022	$	(150,712)
2023		(150,712)
2024		(150,712)
2025		(127,707)
2026		(37,573)
Thereafter		(54,041)

Note 8 - Other Post Employment Benefits – PERSI Sick Leave Insurance Reserve Fund

Plan Descriptions and Funding Policy

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. 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 contributions for year ended June 30, 2021, was $0.

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's 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, 2021 and 2020, the College proportion was 2.0818520 percent and 2.4249367 percent, respectively.

For the year ended June 30, 2021, the College recognized OPEB expense (expense offset) of ($86,957). At June 30, 2021, the College reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 21,906	$ 101,244
Differences between actual and expected investment income	53,819	-
Changes of assumptions or other inputs	2,009	182,594
Changes in proportionate share	354,854	-
Contributions subsequent to measurement date	-	-
Total	$ 432,588	$ 283,838

$0 reported as deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date will be recognized as an addition to the net OPEB liability in the year ending June 30, 2021.

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense below.

Measurement Period Ending June 30:	
2022	$ 8,236
2023	8,236
2024	24,844
2025	45,860
2026	23,340
Thereafter	38,234

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 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 Adjustment	1.00%
Health care trend rate	N/A*

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

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 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%
Portfolio Long-Term (Geometric) Expected Rate of Return		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%

Investment Policy Assumption from PERSI November 2019

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 Geometric Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	**7.05%**

Discount Rate

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:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net OPEB liability (asset)	$ (2,799,765)	$ (2,938,592)	$ (3,064,899)

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 payables to the defined benefit OPEB plan of $0 for legally required employer contributions and $0 for legally required employee.

Note 9 - Contingencies

Amounts received or receivables from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the College expects such amounts, if any, to be immaterial.

The College is a party to a number of legal actions arising in the ordinary course of its business. In management's opinion, the College has adequate legal defenses and/or insurance coverage respecting each of these actions and does not believe that they will materially affect the College's operations or financial position.

Note 10 - Risk Management

The College is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than those related to workers' compensation and natural disasters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Note 11 - Natural Classifications

Salaries and wages	$ 32,981,802
Benefits	18,412,291
Services	12,564,330
Supplies	7,520,439
Capital Outlays	397,585
Other	9,448,136
Depreciation	4,153,713
Total operating expenses	$ 85,478,296

Note 12 - Operating Leases

Effective September 15, 2014, the College entered into a lease agreement for $3,691 per month with Select Commercial Property Services LLC for STAR Program to rent a building in Garden City, Idaho. As of August 2, 2019, the College renewed the lease agreement for $3,364 per month starting November 1, 2019 and increasing by 3% each year. Additional rent may be required if the estimate on the charges for common area maintenance and building insurance increase over the term of the lease. The lease term is for 3 years with one remaining option to renew. The College has the option to cancel the lease early if the State funding is discontinued. The College is responsible for all utilities and maintenance except the Landlord's obligation to warranty the HVAC system.

As of June 30, 2021, future minimum operating lease commitments are as follows:

Years Ended June 30,	
2022	$ 42,412
2023	14,276
Total	$ 56,688

Note 13 - Commitments

The College is currently in the process of remodeling the Eagle Hall Dorms. The total estimated construction cost is $2,800,000. Total costs incurred as of June 30, 2021, totaled $1,067,673 for the remodel.

Note 14 - Component Unit Disclosure

Foundation Operations and Significant Accounting Policies

Foundation Operations

The College of Southern Idaho Foundation, Inc. (the Foundation) was established on March 1, 1984, to solicit donations, and to hold and manage them for the exclusive benefit of the College of Southern Idaho. The Foundation is a not-for-profit corporation incorporated in accordance with the laws of the State of Idaho and managed by a volunteer Board of Directors (the Board). Under the Idaho State Board of Education's administrative rules, the Foundation must be independent of, and cannot be controlled by, the College. A memorandum of understanding between the Foundation and the College defines the relationship between the two entities in accordance with the State Board of Education's rules.

The Foundation is presented as a component unit in the College's financial statements, as required by the Governmental Accounting Standards Board.

Liquidity and Availability

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	2021
Cash	$ 569,382
Operating investments	30,676,550
Endowment spending rate distribution and appropriation	1,051,295
	$ 32,297,227

Endowment funds consist of donor-restricted 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.

Donor-restricted endowment funds are subject to an annual spending rate of 4% to 5%. As part of a liquidity management plan, cash in excess of daily requirements is invested in short-term investments, CDs, and money market funds.

Investments

The following table presents assets measured at fair value on a recurring basis at June 30, 2021:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating investments				
Cash and money market funds (at cost)	$ 5,003,222	$ -	$ -	$ -
Certificates of deposit	2,455,801	-	2,455,801	-
U.S. Government obligations	2,932,841	-	2,932,841	-
U.S. equity funds	17,172,494	17,172,494	-	-
U.S. equity mutual funds	175,493	175,493	-	-
Global equity mutual funds	1,778,030	1,778,030	-	-
Real estate funds	1,158,669	1,158,669	-	-
	$ 30,676,550	$ 20,284,686	$ 5,388,642	$ -
Endowment investments				
Cash and money market funds (at cost)	$ 458,728	$ -	$ -	$ -
Certificates of deposit	2,760,626	-	2,760,626	-
U.S. Government obligations	2,270,948	-	2,270,948	-
U.S. equity funds	7,723,714	7,723,714	-	-
U.S. equity mutual funds	1,259,965	1,259,965	-	-
Global equity mutual funds	1,618,053	1,618,053	-	-
Real estate funds	1,054,419	1,054,419	-	-
	$ 17,146,453	$ 11,656,151	$ 5,031,574	$ -

A significant portion of investment assets are classified within Level 1 because they are comprised of mutual funds, equities, and real estate funds with readily determinable fair values based on daily redemption values. Certificates of deposit are invested and traded in the financial markets. Those certificates of deposit and U.S. Government obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates and market-rate assumptions, and are classified within Level 2.

		Fair Value Measurements at Report Date Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Losses
Property held for resale	$ 995,250	$ -	$ 995,250	$ -	$ -

Endowments

The Foundation's endowment (the Endowment) consists of approximately 140 individual funds established by donors to provide annual funding for specific activities and general operations. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2021, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any 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 expenditures in a manner consistent with the standard of prudence prescribed by UPMIFA.

The Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

As of June 30, 2021, the Foundation had the following endowment net asset composition by type of fund:

	Without Donor Restriction	With Donor Restrictions	Total Net Endowment
Donor-restricted endowment			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 12,173,138	$ 12,173,138
Accumulated investment gains	-	5,968,565	5,968,565
Endowment net assets, June 30, 2021	$ -	$ 18,141,703	$ 18,141,703

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The deficiencies of this nature are reported in net assets with donor restrictions and were $55,154 as of June 30, 2021. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new donor restricted contributions.

Investment and Spending Policies

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to scholarships and programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities. This is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 4% to 5%, while growing the funds, if possible. Therefore, the Foundation expects its endowment assets, over time, to produce an average rate of return of approximately 7% or greater annually. Actual returns in any given year may vary from this amount. Investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

The Foundation typically appropriates for distribution each year from 4% to 5% of its endowment funds' fair value at the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this target, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor restrictions, and the possible effects of inflation. The Foundation expects the current spending policy to allow its endowment funds to grow at a nominal average rate of 2% or more annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through new gifts and investment return.

Changes in Endowment net assets for the year ended June 30, 2021, are as follows:

	Without Donor Restriction	With Donor Restrictions	Total Net Endowment
Endowment net assets, July 1, 2020	$ -	$ 15,465,657	$ 15,465,657
Contributions	-	229,947	229,947
Investment return, net	-	3,002,545	3,002,545
Amounts appropriated for expenditure	-	(556,446)	(556,446)
Endowment net assets, June 30, 2021	$ -	$ 18,141,703	$ 18,141,703

With Donor Restricted Net Assets

With donor restricted net assets at June 30, 2021, consist of:

Subject to Expenditure for Specified Purpose	
Scholarships	$ 18,627,797
Special projects	191,838
	18,819,635
Endowment	
Subject to Foundation endowment spending policy and appropriation	
Scholarships	17,201,607
Agricultural programs	995,250
Underwater endowments	(55,154)
	18,141,703
Total net assets with donor restrictions	$ 36,961,338
Satisfaction of purpose restrictions	
Scholarships	$ 1,345,553
Educational programs	306,095
	$ 1,651,648

Donated Professional Services and Materials

Donated professional services and materials received during the years ended June 30, 2021, are as follows:

	2021			
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 58,102	$ 116,203	$ 58,102	$ 232,407
Rent	3,346	3,986	1,993	9,325
	$ 61,448	$ 120,189	$ 60,095	$ 241,732

Donated Property

In July 1991, the Foundation received approximately 25 acres of agricultural land, which was to be restricted as Ag Endowment property. The Foundation had the right to sell the property as long as the proceeds were reinvested in similar farm land or an endowment was created with the investment earnings being used to provide agriculture related programs to the College of Southern Idaho. Subsequently, the Foundation sold the original 25-acre Ag Endowment property. The Board of Directors then designated approximately 40 acres of different farm land in lieu of the sale proceeds, allowing the Ag Endowment Fund to maintain its original intent of having agriculture related assets and programs. The fair-market value of the 40 acres of Ag Endowment Land was appraised during 2003 by a professional appraiser. The appraised value was a range of $995,250 to $1,393,350 "as is" in its current condition or $2,388,600 to $3,582,900 assuming a value as "commercial mixed use". The Foundation has chosen to maintain the land on the books at the lowest value determined to be reasonable given its current "as is" status being $995,250.

Related Party

The Foundation provides scholarships to the College of Southern Idaho based on the terms of the donations. The Foundation provided scholarship support of $1,974,685 during the year ended June 30, 2021, of which $0 was payable to the College of Southern Idaho at June 30, 2021. The Foundation provided departmental and program support of $372,933 during the year ended June 30, 2021.

Several members of the Foundation Board of Directors provided a donation to the Foundation. The Foundation received $18,322 in contribution revenue from Board members during the years ended June 30, 2021.

The College of Southern Idaho provides donated office space, salaries and benefits to the Foundation. The College of Southern Idaho provided $241,732 in donated office space and salaries and benefits to the Foundation during the years ended June 30, 2021.

Required Supplementary Information
June 30, 2021

College of Southern Idaho

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

	2014	2015	2016	2017	2018	2019	2020
Employer's portion of net the pension liability	0.5121639	0.4903647	0.4819133	0.4835511	0.004805879	0.00468207	0.004536908
Employer's proportionate share of the net pension liability	$ 3,770,368	$ 6,457,305	$ 9,769,123	$ 7,600,593	$ 7,088,755	$ 5,344,452	$ 10,535,300
Employer's covered payroll	$ 13,730,671	$ 13,730,671	$ 14,134,541	$ 15,017,270	$ 16,723,666	$ 15,902,208	$ 16,155,394
Employer's proportional share of the net pension liability as a percentage of its covered payroll	27.46%	45.68%	65.05%	50.61%	42.39%	33.61%	65.21%
Plan fiduciary net position as a percentage of the total pension liability	94.95%	91.38%	87.26%	90.68%	91.69%	93.79%	88.22%

*GASB Statement No.68 requires ten years of information to presented in this 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

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

	2015	2016	2017	2018	2019	2020	2021
Statutorily required contribution	$ 1,554,312	$ 1,600,030	$ 1,699,955	$ 1,893,119	$ 1,800,130	$ 1,928,954	$ 1,981,431
Contributions in relation to the statutorily required contribution	$ (1,554,312)	$ (1,600,030)	$ (1,699,955)	$ (1,893,119)	$ (1,800,130)	$ (1,928,954)	$ (1,981,431)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 13,730,671	$ 14,134,541	$ 15,017,270	$ 16,723,666	$ 15,902,208	$ 16,155,394	$ 16,594,899
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%	11.32%	11.94%	11.94%

*GASB Statement No.68 requires ten years of information to presented in this 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, 2021

	2018	2019	2020	2021
Total OPEB Liability				
Service Cost	$ 221,854	$ 228,510	$ 167,915	$ 183,847
Interest	93,356	99,528	82,780	83,218
Effect of economic/demographic gains or (losses)	-	(191,922)	-	(122,761)
Effect of assumptions changes or inputs	-	(590,122)	63,428	(201,478)
Benefit payments	(130,852)	(168,452)	(83,850)	(99,015)
Net change in total OPEB liability	184,358	(622,458)	230,273	(156,189)
Total OPEB liability, beginning	2,450,723	2,635,081	2,012,623	2,242,896
Total OPEB liability, ending	$ 2,635,081	$ 2,012,623	$ 2,242,896	$ 2,086,707
Covered payroll	$ 25,100,223	$ 26,657,061	$ 27,943,081	$ 28,596,974
Total OPEB liabliity as a percentage of covered employee payroll	10.50%	7.55%	8.03%	7.30%

*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 for which information is available.

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

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Schedule of Employer's Share of Net OPEB Asset
PERSI - OPEN Sick Leave Insurance Reserve Fund
Last 10 - Fiscal Years *

	2017	2018	2019	2020
Employer’s portion of net OPEB asset	2.4328077%	2.4618469%	2.4249367%	2.0818520%
Employer’s proportionate share of net OPEB asset	$ 2,314,321	$ 2,825,463	$ 3,054,744	$ 2,938,592
Employer’s covered payroll	$ 15,017,270	$ 16,723,666	$ 15,902,208	$ 16,155,394
Employer’s proportional share of the net OPEB asset as a percentage of its covered payroll	15.411063%	16.894998%	19.209559%	18.189541%
Plan fiduciary net position as a percentage of the total OPEB asset	204.12%	225.45%	226.97%	251.29%

*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 for which information is available.

Data reported is measured as of June 30, 2020

Schedule of Employer Contributions
Schedule of Employer's Share of Net OPEB Asset
Last 10 - Fiscal Years *

	2018	2019	2020	2021
Statutorily required contribution	$ 168,452	$ 181,783	$ 99,015	$ -
Contributions in relation to the statutorily required contribution	$ 172,139	$ 185,644	$ 123,436	$ -
Contribution (deficiency) excess	$ 3,687	$ 3,861	$ 24,421	$ -
Employer’s covered payroll	$ 16,723,666	$ 15,902,208	$ 16,155,394	$ 16,594,899
Contributions as a percentage of covered payroll	1.0293138%	1.1674102%	0.7640544%	0.0000000%

*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 for which information is available.

Data reported is as of June 30, 2021.

Other Information
June 30, 2021

College of Southern Idaho

DHC Auxiliary Enterprise Funds-Revenues and Expenses

	2021	2020
Income from DHC Building Operations		
Eagle Hall		
Monthly/Semester Fees	402,998	473,315
Other Revenue	233,260	12,339
Subtotal Revenue	636,258	485,654
Operating Expenses		
Salaries & Benefits	135,110	140,817
Materials, Supplies, Other	106,292	58,114
Utilities	83,638	77,845
Equipment	-	-
Maintenance	11,557	41,610
Transfers to Sinking Fund	-	-
Subtotal Expense	336,597	318,386
Net Revenues/(Losses) of DHC Buildings	299,661	167,268

	2021	2020
Income from DHC Building Operations		
Northview Apts		
Monthly/Semester Fees	249,815	247,996
Other Revenue	21,535	11,315
Subtotal Revenue	271,350	259,311
Operating Expenses		
Salaries & Benefits	133,467	115,783
Materials, Supplies, Other	22,432	8,998
Utilities	44,522	47,115
Equipment	-	-
Maintenance	16,331	23,904
Transfers to Sinking Fund	-	-
Subtotal Expense	216,752	195,800
Net Revenues/(Losses) of DHC Buildings	54,598	63,511

	2021	2020
Income from DHC Building Operations		
Eagleview Apts		
Monthly/Semester Fees	396,151	331,580
Other Revenue	14,657	9,906
Subtotal Revenue	410,808	341,486
Operating Expenses		
Salaries & Benefits	-	-
Materials, Supplies, Other	86,477	22,450
Utilities	61,703	56,885
Equipment	-	-
Maintenance	19,145	16,273
Transfers to Sinking Fund	-	-
Subtotal Expense	167,325	95,608
Net Revenues/(Losses) of DHC Buildings	243,483	245,878

	2021	2020
Food Service		
Monthly/Semester Fees	470,500	475,908
Other Revenue	-	-
Subtotal Revenue	470,500	475,908
Operating Expenses		
Salaries & Benefits		
Materials, Supplies, Other	29,594	27,551
Utilities	4,218	4,304
Equipment	9,995	-
Maintenance	5,118	10,573
Cost of Sales-Sodexo payment	445,318	379,152
Subtotal Expense	494,243	421,580
Net Revenues/(Losses) of DHC Buildings	(23,743)	54,328

	2021	2020
CSI Housing		
Monthly/Semester Fees	32,350	28,800
Other Revenue	-	-
Subtotal Revenue	32,350	28,800
Operating Expenses		
Salaries & Benefits	-	-
Materials, Supplies, Other	148	74
Utilities	91	94
Equipment	-	-
Maintenance	690	-
Subtotal Expense	929	168
Net Revenues/(Losses) of DHC Buildings	31,421	28,632

	2021	2020
Student Union		
Monthly/Semester Fees	99,860	109,935
Other Revenue	-	-
Subtotal Revenue	99,860	109,935
Operating Expenses		
Salaries & Benefits	-	8,277
Materials, Supplies, Other	6,858	6,146
Utilities	30,178	24,915
Equipment	-	-
Maintenance	-	-
Transfer to other Funds	-	-
Subtotal Expense	37,036	39,338
Net Revenues/(Losses) of DHC Buildings	62,824	70,597

	2021	2020
Eagle Hall Renovation		
Monthly/Semester Fees	-	-
Other Revenue	-	-
Subtotal Revenue	-	-
Operating Expenses		
Architectes & Engieering	159,987	-
Materials, Supplies, Other	14,549	-
Building Improvements	907,686	-
Equipment	-	-
Maintenance	-	-
Transfer to other Funds	-	-
Subtotal Expense	1,082,222	-
Net Revenues/(Losses) of DHC Buildings	(1,082,222)	-

Single Audit Information
June 30, 2021

College of Southern Idaho

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*

To the Board of Trustees
College of Southern Idaho
Twin Falls, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the College of Southern Idaho (the College), 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 discretely presented component unit, College of Southern Idaho Foundation, Inc., were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the College of Southern Idaho Foundation, Inc.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 College of Southern Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial 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 or other matters that are required to be reported under *Government Auditing Standards*.

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

Eide Bailly LLP

Boise, Idaho
October 21, 2021

Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Board of Trustees
College of Southern Idaho
Twin Falls, Idaho

Report on Compliance for the Major Federal Programs
We have audited the College of Southern Idaho's (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the College's major federal programs for the year ended June 30, 2021. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility
Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility
Our responsibility is to express an opinion on the compliance for each of the College's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Programs
In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal programs for the year ended June 30, 2021.

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance that we consider to be a significant deficiency, described in accompanying schedule of findings and questioned costs as item 2021-001 through 2021-004.

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

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

Eide Bailly LLP

Boise, Idaho
October 21, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
Department of Agriculture			
Pass-Through Payments			
Idaho State Department of Education			
Child and Adult Care Food Program	10.558	4875	$ 60,532
Idaho State Department of Health and Welfare			
SNAP Cluster			
Supplemental Nutrition Assistance Program	10.551	WC093700	2,031
Total Department of Agriculture			62,563
Department of Homeland Security			
2018 NSGP	97.008	18NSGP079	99,934
Total Department of Homeland Security			99,934
Department of Education			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	140,976
Federal Work-Study Program	84.033	N/A	207,280
Federal Pell Grant Program	84.063	N/A	6,302,158
Federal Direct Student loans	84.268	N/A	2,340,705
Total Student Financial Assistance Cluster			8,991,119
Title III Part A Programs - Strengthening Institutions	84.031A	N/A	529,780
Childcare Access Means Parents in School	84.335A	N/A	64,829
COVID-19: Education Stabilization Fund			
Governor's Emergency Education Relief (GEER) Fund	84.425C	N/A	282,780
Higher Education Emergency Relief Fund - Student	84.425E	N/A	2,189,458
Higher Education Emergency Relief Fund - Institutional	84.425F	N/A	4,392,550
Minority Serving Institution	84.425L	N/A	140,478
Total Education Stabilization Fund			7,005,266
Idaho Division of Career-Technical Education			
Adult Education Basic Grants to States	84.002A	Various	573,910
Career and Technical Education - Basic Grants to States	84.048	Various	386,312
Pass-Through Payments			
Idaho State Board of Education			
Gaining Early Awareness & Readiness for Undergraduate Programs· Gear-Up	84.334	Not Available	348,540
Total Department of Education			18,062,253

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
Department of Health and Human Services			
Early Head Start	93.600	4722P	1,582,532
Head Start	93.600	4722P	8,798,968
COVID-19 Early Head Start	93.600	4722P	25,544
COVID-19 Head Start	93.600	4722P	366,509
			10,773,553
Pass-Through Payments			
Idaho Department of Health and Welfare			
CCDF Cluster			
Child Care and Development Block Grant	93.575	Not Available	49,950
Idaho Association for the Education of Young Children			
Every Student Succeeds Act/Preschool Development Grants	93.434	Not Available	70,000
American Medical Responders Access2Care			
Medicaid Cluster			
Medical Assistance Program	93.778	Not Available	28,159
Total Medicaid Cluster			28,159
Idaho Commission on Aging			
Aging Cluster			
Special Programs for the Aging Title Ill, Part B Grants for Supportive Services and Senior Centers	93.044	Not Available	307,167
Special Programs for the Aging Title Ill, Part C Nutrition Services	93.045	Not Available	513,273
COVID-19 Special Programs for the Aging Title Ill, Part C Nutrition Services	93.045	Not Available	228,527
Nutrition Services Incentive Program	93.053	Not Available	122,961
Total Aging Cluster			1,171,928
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	Not Available	9,921
Special Programs for the Aging Title UI, Part D Disease Prevention and Health Promotion Services	93.043	Not Available	36,648
Special Programs for the Aging Title IV, and Title II			
ADRC - COVID-19	93.048	ADRC20	36,852
Senior Medicare Patrol	93.048	90MPPG0034-02-00 90MPPG0034-03-00	16,950
			53,802
Options Counseling	93.051	IDCS17	4,071
National Family Caregiver Support, Title Ill, Part E	93.052	Not Available	171,202
COVID-19 National Family Caregiver Support, Title Ill, Part E	93.052	Not Available	28,447
Special Programs for the Aging Title Ill, PartB8 Grants for Supportive Services and Senior Centers	93.052	Not Available	20,434
			220,083
Medicare Enrollment Assistance Program	93.071	MIPPA	9,483
Idaho Lifespan Respite Enhancement	93.072	LREP21	14,997

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
Pass-Through Payments			
477 Cluster			
Idaho Head Start Association			
Temporary Assistance for Needy Families	93.558	20-201903	124,512
Idaho Office for Refugees Jannus, Inc	93.558	IOR-2112 TANF CM-CSI, IOR 2012	27,339
			151,851
Refugee and Entrant Assistance Targeted Assistance Grants	93.566	IOR-2022-CSI, HC226500, IOR-2022, HC936400	356,883
Refugee and Entrant Assistance Targeted Assistance Grants	93.576	HC958600	55,371
Refugee and Entrant Assistance Targeted Assistance Grants	93.583	IOR-2112-SCIRP, IOR-2022	9,672
University of Idaho			
National Center for Research Resources 20-21	93.859	SI3394-825927	76,299
National Center for Research Resources 21-22	93.859	SI3394-825907	50,887
			127,186
U.S. Committee for Refugees and Immigrants			
Healthy Marriage and Responsible Fatherhood	93.086	90ZD0004	54,309
U.S. Refugee Admissions Program	93.567	-	35,383
Total Department of Health and Human Services			13,233,250
National Science Foundation			
University of Washington	47.076	Not Available	17,765
Education and Human Resources			
Total National Science Foundation			17,765
Department of Labor			
Pass-Through Payments			
Idaho Department of Labor			
Job Corps Experimental Projects and Technical Assistance	17.287	Not Available	278,925
Idaho Career Technical Education			
Apprenticeship: Closing the Skills Gap	17.268	Not Available	25,404
American Association of Community Colleges			
Apprenticeship USA State Expansion Grants	17.285	Not Available	73,204
Total Department of labor			377,533
Department of State			
US Refugee Admissions Program	19.510	Not Available	126,970
Total Department of State			126,970

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
Department of the Treasury			
Idaho State Controller			
COVID-19: Coronavirus Relief Fund	21.019	Not Available	1,114,531
Total Department of the Treasury			1,114,531
Department of Transportation			
Pass-Through Payments			
Idaho Department of Transportation			
Formula Grants for Rural Areas	20.509	Not Available	293,422
Total Department of Transportation			293,422
National Aeronautics and Space Administration			
Pass-Through Payments			
University of Idaho			
NASA Idaho Specific Grant Consortium			
Opportunity for Partnerships with Community Colleges & Technical Schools Total National Aeronautics and Space Administration	43.008	ES0666-SB-783731	23,520
			23,520
National Endowment for the Arts			
Promotion of the Arts Partnership Agreements	45.025	N/A	6,875
Pass-Through Payments			
Idaho Commission on the Arts			
Promotion of the Arts Partnership Agreements	45.025	01840, 01894, 02874	13,607
Total National Endowment for the Arts			20,482
Small Business Administration			
Pass-Through Payments			
Boise State University - Idaho Small Business Development Center			
Small Business Development Centers	59.037	8564-PO129461, 9123-PO137192, 9405-PO137294	166,529
Total Small Business Administration			166,529
Total Federal Expenditures			$ 33,436,255

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the College of Southern Idaho (the College) under programs of the federal government for the year ended June 30, 2021. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The College has not elected to use the 10% de minimus cost rate.

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	Yes
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516?	Yes

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing
U.S. Department of Education	
Student Financial Assistance Programs Cluster	
Federal Pell Grant	84.063
Federa Direct Student Loans	84.268
Federal Supplemental Education Opportunity Grant	84.007
Fedeal Work-Study Program	84.033
COVID-19: Education Stabilization Fund	
Governor's Emergency Education Relief (GEER) Fund	84.425C
Higher Eduation Emergency Releif Fund - Student	84.425E
Higher Eduation Emergency Releif Fund - Institutional	84.425F
HEERF Minority Serving Institutions (MSI)	84.425L
U.S. Department of Treasury	
COVID-19: Coronavirus Relief Fund	21.019
U.S. Department of Health and Human Services	
Head Start	93.600

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1,003,088
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None reported

Section III – Federal Award Findings and Questioned Costs

2021-001
Direct Programs – U.S. Department of Education
Federal Financial Assistance Listing #84.007, 84.033, 84.063, 84.268
Student Financial Aid Cluster, Special Tests and Provisions: Enrollment Reporting
Significant Deficiency in Internal Control over Compliance

Criteria:
34 CFR Section 685.309 states that the Institution shall ensure that all information reported to the Department of Education is within the required time frame. The NSLDS Enrollment Reporting guide further states that the information that is reported to the Department of Education is accurate in addition to timely.

Condition:
During our testing of students that were disbursed financial aid during the 2020-21 school year, there was one instance in which the students' withdrawal date per the Return of Title IV Aid (R2T4) calculation worksheets did not match the dates reported to NSLDS.

Cause:
The controls in place were not effective enough to prevent the incorrect reporting of the withdrawal date and student status change to NSLDS.

Effect:
The withdrawal date for 1 of the 60 students selected for testing over changes in student status were reported incorrectly to NSLDS.

Questioned Costs:
None Reported

Context/Sampling:
A nonstatistical sample of 60 students out of 2,107 students were selected for enrollment reporting.

Repeat Finding From the Prior Year:
Yes, prior year finding 2020-002

Recommendation:
We recommend that the College implement a review process to ensure the information reported to NSLDS is accurate.

Views of Responsible Officials:
Management agrees with the finding.

2021-002
Direct Programs – U.S. Department of Education
Federal Financial Assistance Listing #84.425E, 84.425F, 84.425L
Education Stabilization Fund, Procurement: Suspension and Debarment
Significant Deficiency in Internal Control over Compliance

Criteria:
In accordance with 2 CFR part 180, a non-federal entity, prior to entering into a covered transaction, must verify that the entity in which they are doing business with is not suspended, debarred or otherwise excluded from the covered transaction.

Condition:
During our testing over procurement, we noted that there was no process in place to verify that entities with which the College contracts with were not suspended or debarred.

Cause:
The current process over vendor contracts does not include a step for verifying that the entity had not been suspended or debarred.

Effect:
The College could contract with vendors that had been suspended or debarred.

Questioned Costs:
None Reported

Context/Sampling:
A nonstatistical sample of 5 contracts out of 23 total contracts were selected for testing.

Repeat Finding From the Prior Year:
No

Recommendation:
We recommend that the College implement a process where contracts are verified to ensure that they are not suspended or debarred and retain documentation of the verification.

Views of Responsible Officials:
Management agrees with the finding.

2021-003
Direct Programs – U.S. Department of Health and Human Services
Federal Financial Assistance Listing #93.600
Early Head Start, Head Start; Allowable Costs
Significant Deficiency in Internal Control over Compliance

Criteria:
2 CFR part 200 states that all direct charges to federal awards are for allowable costs.

Condition:
During our testing of institutional expenditures, there were two instances in which an employee's disability benefit was not properly allocated to the program. Instead of the benefit being appropriately allocated, the entire benefit was allocated to the grant. This error was specific to one payroll.

Cause:
There was an error in the College's software system on a specific payroll date that led to the incorrect allocation.

Effect:
The disability benefit that was allocated to the grant was not appropriate in two instances.

Questioned Costs:
None Reported

Context/Sampling:
A nonstatistical sample of 60 expenditures were selected out of 44,768 expenditures were selected for testing for allowable cost testing.

Repeat Finding from the Prior Year:
No

Recommendation:
We recommend that the College implement a review process to ensure the expenditures submitted under the grant are recorded accurately and to ensure there are no errors in allocation.

Views of Responsible Officials:
Management agrees with the finding.

2021-004
Direct Programs – U.S. Department of Health and Human Services
Federal Financial Assistance Listing #93.600
Early Head Start, Head Start; Reporting
Significant Deficiency in Internal Control over Compliance

Criteria:
OMB No. 4040-0016, SF-429 – Real Property Status Report and SF-429-A General Reporting (OMB No. 4040-0016), states reporting to be supported by source documents and information is appropriate and accurate.

Condition:
During our testing over reporting, there was one instance where the information on the SF-429-A report was incorrect based upon the supporting documentation.

Cause:
There was no independent review over the SF-429-A report due to turnover.

Effect:
The amount reported on the SF-429-A report did not match the supporting documentation.

Questioned Costs:
None Reported

Context/Sampling:
A nonstatistical sample of 4 SF-429-A reports were selected out of 8 SF-429-A reports submitted under the grant.

Repeat Finding from the Prior Year:
No

Recommendation:
We recommend that the College implement controls to ensure there is an appropriate review process over any reports that are submitted under the grant.

Views of Responsible Officials:
Management agrees with the finding.