Financial Statements
June 30, 2022

North Idaho College

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Introductory Section
June 30, 2022

North Idaho College

Founded in 1933, North Idaho College (NIC or the College) is a comprehensive community college located on the beautiful shores of Lake Coeur d'Alene. NIC offers degrees and certificates in a wide spectrum of academic transfer, professional-technical, and general education programs. Approximately 6,600 students are enrolled in credit classes and more than 4,500 participate annually in non-credit courses offered by the Workforce Training Center in Post Falls.

The College serves a five-county region through an extensive array of internet and interactive video conferencing courses and a regional center in Sandpoint. NIC also plays a key role in the region's economic development by preparing competent, trained employees for area businesses, industries, and governmental agencies.

NIC's campus is located in Coeur d'Alene, Idaho, a lakeside city with a growing population of 56,000 residents. Metropolitan amenities are close by with Spokane, Washington, a city of over 233,000 just 30 minutes away.

NIC offers Associate of Arts and Associate of Science degrees in various college transfer programs, and Associate of Applied Science degrees and technical certificates in its professional-technical programs. Students obtaining an Associate of Arts or Associate of Science degree can transfer with junior standing to all other Idaho public colleges and universities.

As one of four community colleges in the state (the other three being College of Southern Idaho, College of Western Idaho, and College of Eastern Idaho), North Idaho College works closely with its sister colleges and universities. NIC partners with the University of Idaho, Lewis-Clark State College, and Idaho State University to enhance the higher education opportunities available in northern Idaho.

Financial Section
June 30, 2022

North Idaho College

Independent Auditor's Report

The Board of Trustees
North Idaho College
Coeur d'Alene, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of North Idaho College (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the College, as of June 30, 2022, 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.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 1 and Note 14 to the financial statements, the College has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to the net position as of July 1, 2021, to restate beginning net position. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. We did not audit the financial statements of the Component Unit – North Idaho College Foundation, Inc. (the Foundation). Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation is based solely on the report of the other auditors. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of North Idaho College‘s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about North Idaho College’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Employer's Share of Net Pension Liability and Schedule of Employer Contributions, Schedule of Employer's Share of Net OPEB Asset and Schedule of Employer Contributions, and Schedule of Changes in the College's Total OPEB – Healthcare Plan Liability, 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 inquiries of management about the methods or preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise North Idaho College's basic financial statements. The introductory section, budget to actual – general fund, debt service schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has 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 any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022, on 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, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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
December 15, 2022

This discussion and analysis of North Idaho College's (the College or NIC) financial statements provide an overview of the College's financial performance during the year ended June 30, 2022. Since the Management's Discussion and Analysis is designed to focus on current activities, resulting changes and currently known facts, please read it in conjunction with the College's financial statements and the footnotes. The financial statements, footnotes and this discussion are the responsibility of management.

Using the Annual Report

The entity-wide financial statements in this report are modeled after the corporate presentation whereby all College activities are consolidated into one total and are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. This approach intends to summarize and simplify the data for the user's analysis of the cost of various college services to students and the public. The three statements presented here (the statements of net position, the statements of revenues, expenses, and changes in net position and the statements of cash flows) are meant to serve as an overall picture of the financial soundness of the College, provide information about the College's activities, and present both a short-term and long-term view of the College's finances. Notes to the financial statements are integral for a complete analysis of the entity-wide statements.

Financial Highlights

In the fiscal year 2022, the operating loss was $50.7 million. Non-operating revenues increased to $56.4 million in 2022, resulting in a change in net position of $5.7 million in 2022.

During 2022, the continued low unemployment rate and robust economy of the region impact enrollment. The financial results presented here reflect the College's ability to adjust and react to the changing higher education and the economic landscape while responding to the needs of students and the community.

Statements of Net Position

The statements of net position present the assets, deferred outflow of resources, liabilities, deferred inflow of resources, and net position of the College as of the fiscal year-end. It is a 'snapshot' of the financial position of the College as of the fiscal year end. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and the expenses and liabilities are recognized when others provide the service.

The statement is presented in five sections: total assets (current and noncurrent), deferred outflow of resources, total liabilities (current and noncurrent), deferred inflow of resources, and net position (assets and deferred outflow of resources-liabilities and deferred inflow of resources).

Current assets and current liabilities can be liquidated, mature or become payable within the normal 12-month accounting cycles while noncurrent assets and liabilities convert to cash, mature or become payable after 12 months. As of June 30, 2022, the College's current assets consisted primarily of cash and receivables while noncurrent assets consisted of capital assets including property, plant and equipment maintained by the College.

The majority of the College's liabilities are considered short-term, except long-term bond obligations, net pension liability, and the OPEB obligation.

Net Position is reported in three categories:

- Net investment in capital assets – the College's equity in capital assets, including right-to-use assets.
- Restricted – must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restriction on the use of the funds.
- Unrestricted – net position available to the College for any lawful purpose of the institution.

Net position, which is the difference between total assets, total deferred outflow of resources less total liabilities, and total deferred inflow of resources is one indicator of the financial condition of the College. To accurately assess the overall financial condition of the College, additional non-financial factors, such as changes in enrollment levels, the College's property tax base and the condition of school buildings and other facilities, should also be considered.

Statements of Net Position
June 30, 2022 and 2021

	2022	2021*
Current and other assets	$ 45,919,277	$ 43,654,791
Capital and right-to-use assets	79,913,865	75,510,443
Total assets	125,833,142	119,165,234
Deferred Outflow of Resources	5,528,788	4,174,411
Current liabilities	6,697,638	5,769,673
Long-term liabilities outstanding	13,630,647	19,486,588
Total liabilities	20,328,285	25,256,261
Deferred Inflow of Resources	8,757,720	1,458,166
Net position		
Net investment in capital assets	71,391,699	67,078,829
Restricted	7,372,417	6,869,936
Unrestricted	23,511,809	22,676,453
Total net position	$ 102,275,925	$ 96,625,218

* The 2021 column has not been restated to include the implementation of GASB 87

The College's total assets increased during the fiscal year 2022 by $6.7 million. In 2022, the increase was driven primarily by $4.4 million in capital and right-to-use assets and a $2.2 million increase in cash and cash equivalents. Total liabilities decreased during 2022 by $4.9 million, driven by a decrease in net pension and OPEB liabilities relating to GASB 68 and GASB 75.

Statements of Revenues, Expenses, and Changes in Net Position

Changes in total net position as presented on the statements of net position are based on the activity presented in the statements of revenues, expenses, and changes in net position. The purpose 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 taxes, the revenue streams the College depends upon most significantly, are classified as non-operating revenues. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over the expected useful life.

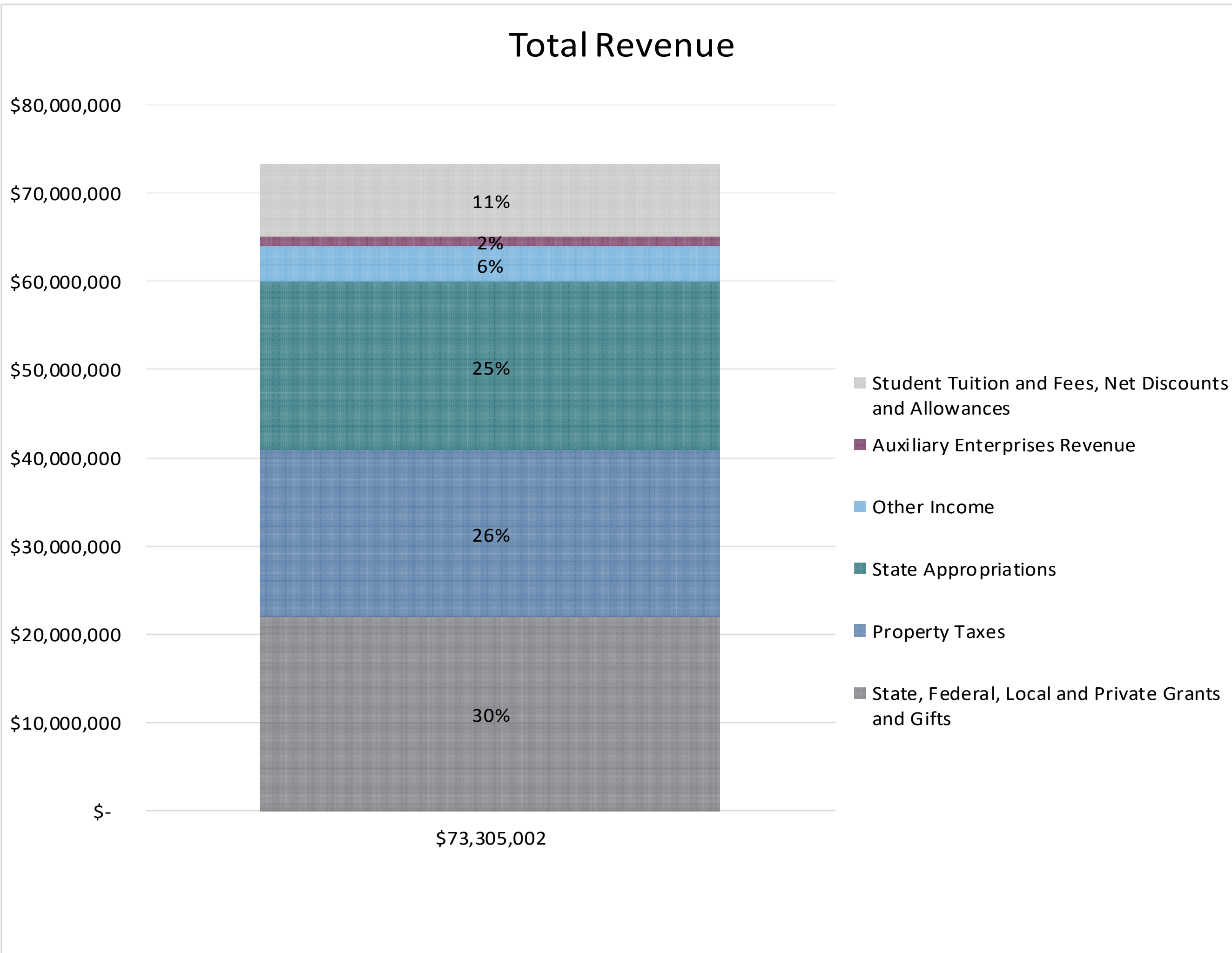
Generally, operating revenues are generated by providing services to various customers, students and constituencies of the College, including but not limited to student tuition and fees, auxiliary enterprises, and federal and state grants. Operating expenses are those expenses paid to acquire or produce the services provided in turn for operating revenues and to carry out the mission of the College. Non-operating revenues are revenues for which services are not provided.

Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2022 and 2021

	2022	2021*
Operating Revenues		
Student tuition and fees, net	$ 8,192,842	$ 8,281,688
Auxiliary enterprises revenue	1,174,160	1,061,891
State and local grants and contracts	1,770,932	1,485,703
Federal grants and contracts	1,533,319	1,448,579
Other operating revenues	3,966,809	3,992,868
Total operating revenues	16,638,062	16,270,729
Operating Expenses	67,380,490	64,374,879
Operating Loss	(50,742,428)	(48,104,150)
Non-Operating Revenues (Expenses)		
State appropriations	19,040,800	17,464,800
Property taxes	18,893,657	18,373,273
Non-operating state and federal grants	16,170,972	16,309,955
Non-operating other income	560,385	418,227
Private gifts, grants, and contracts	1,928,703	2,141,999
Investment income	72,423	163,097
Interest expense	(263,322)	(310,740)
Loss on disposal of capital assets	(10,483)	(191,381)
Total non-operating revenues	56,393,135	54,369,230
Change in Net Position	5,650,707	6,265,080
Net Position, Beginning of Year	96,625,218	90,360,138
Net Position, End of Year	$ 102,275,925	$ 96,625,218

* The 2021 column has not been restated to include the implementation of GASB 87

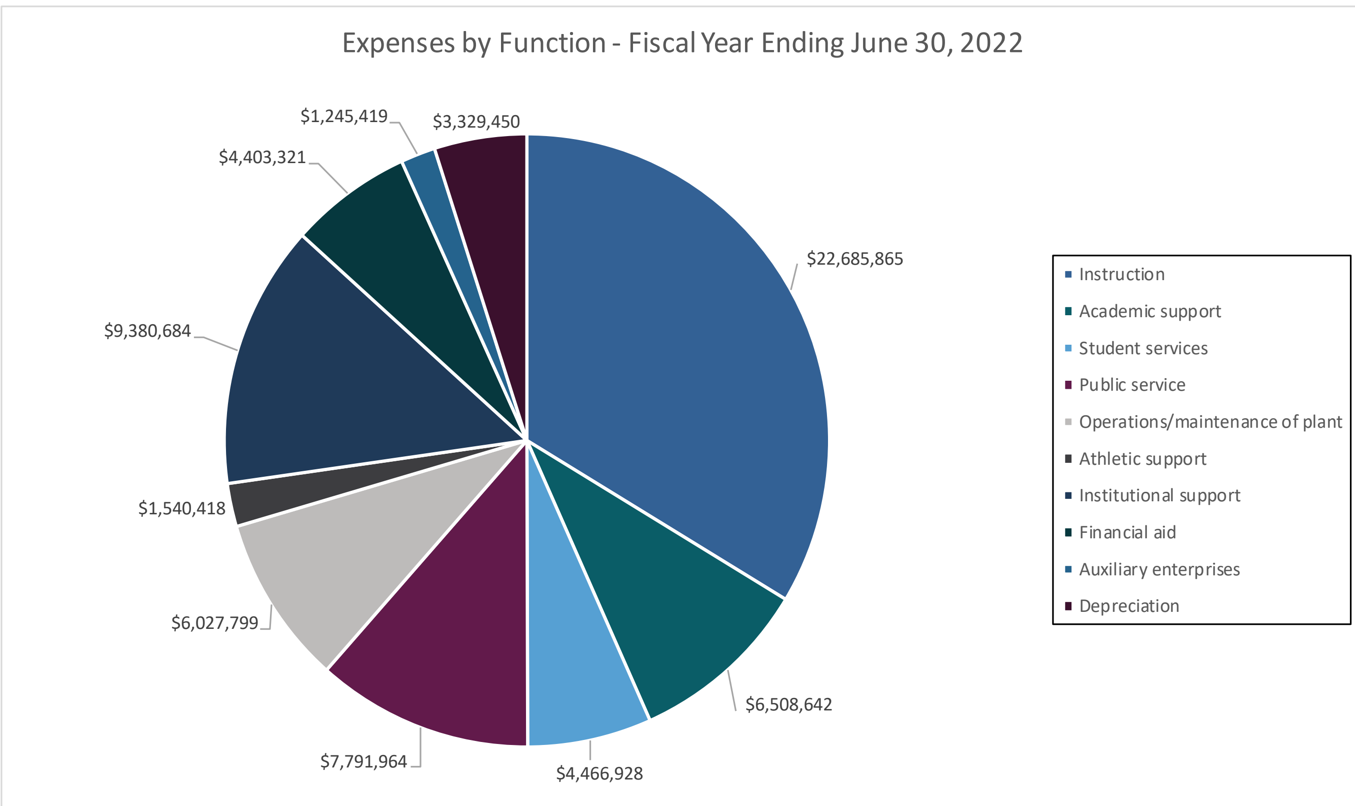
The Statements of Revenues, Expenses and Changes in Net Position reflects an overall increase in net position of $5.7 million during the fiscal year 2022. Operating revenues for the period increased by approximately $367,000, while operating expenses increased by $3 million, year over year. The increase in operating revenue was largely related to various state and federal grants. Non-Operating revenues (expenses) for the same period increased by $2 million due primarily to an increase in State appropriations of $1.6 million.



This chart shows the allocation of both operating and non-operating revenue between the major categories from the statements of revenues, expenses, and changes in net position. The allocation between categories remains relatively stable from year to year.

GASB 35 requires tuition and fee revenues from students to be reported net of scholarship discounts and allowances. Scholarship discounts and allowances are the difference between the College's stated charges for tuition and fees and the amount paid by students or third parties on behalf of the students. Total tuition and fees for 2022 were $13.8 million, and allowances against those tuition and fees were $5.6 million. The scholarship allowance in 2022 was 41% of gross tuition and fees. This indicates that approximately half of the College's students received federal or some other form of financial assistance.

A summary of the College's expenses by function for the year ended June 30, 2022 is as follows:



Instruction and academic support account for 43% of the total operating expense of the College.

Capital and Right-to-use Assets

	2022	2021*
Capital and Right-to-use Assets		
Land and construction in progress	$ 24,807,698	$ 18,381,295
Ground improvements	6,198,087	6,198,087
Buildings	85,803,637	85,803,637
Furniture and equipment	16,423,588	15,648,287
Infrastructure	7,472,694	7,472,694
Right-to-use assets	749,170	-
Total capital assets	141,454,874	133,504,000
Less accumulated depreciation and amortization	61,541,009	57,993,557
Net Capital Assets	$ 79,913,865	$ 75,510,443

* The 2021 column has not been restated to include the implementation of GASB 87

At the end of 2022, the College had $79.9 million invested in a broad range of capital and right-to-use assets, including land, buildings, computer and office equipment, exterior lighting and telecommunications infrastructure, net of accumulated depreciation and amortization of right-to-use assets. The College constructed or acquired $7.4 million in capital assets during 2022. The change from 2021 to 2022 also included $749 thousand of right-to-use assets due to the implementation of GASB 87. More detailed information about the College's capital and right-to-use assets is presented in Note 3 to the basic financial statements.

Debt Administration

As of June 30, 2022, the College had $7,880,000 in debt outstanding from the construction of a Student Wellness and Recreation Center. See Note 6 for additional information on debt.

Additionally, as of June 30, 2022, the College had $400 thousand in lease liabilities relating to right-to-use assets under GASB 87. See Note 5 for additional information on debt.

Economic Outlook

The top areas of focus for the College continue to be the retention and recruitment of students and meeting the needs of industry in North Idaho. During the fiscal year 2022, the College continued the construction of an $8 million, 20,000-square-foot addition to the Meyer Health and Sciences building and a state-of-the-art dental clinic. Both of these projects helped to expand the capacity for lab classes and support the increasing demand for health professions and nursing programs and opened for classes in Fall 2022.

The college is currently in a strong financial position as evidenced by its strong net position, cash balance and bond rating. However, the challenges to accreditation and changes in leadership continue to impact the college. In January 2022, the Northwest Commission on Colleges and Universities conducted a special evaluation visit in response to complaints filed against North Idaho College. On April 1, 2022, the Northwest Commission on Colleges and Universities sent a letter to the college stating that they have imposed the sanction of Warning and imposed a status of Monitoring with an expectation that the college is back in compliance by the time of its Midcycle onsite evaluation visit scheduled for Spring 2023. The Commission found the College to be out of compliance with standards related to governance and required the college to resolve two issues prior to Spring 2023. The first of the two requirements is that the College's Board of Trustees is constituted to include a minimum of Five Trustees. This step was completed in the early Summer of 2022. The second requirement was that the Board of Trustees review, affirm and adhere to institutional and Board policies. The Board has reinstated the Board conduct policy to address this.

An additional recommendation of the Commission was that the institution work to rebuild its administrative and academic leadership after significant turnover. On August 1, 2022, Dr. Nick Swayne was hired as the new permanent president of North Idaho College. There are currently searches underway for the Vice President of Finance and the Vice President of Instruction/Chief Academic Office. The former is anticipated to be completed by the end of November 2022 and the latter by early 2023.

The College remains fiscally strong, as evidenced by its strong net position, cash balance, and bond rating. The college's fiscal year 2023 allocation from the Idaho state legislature included significant funding for employee compensation and $7 million for deferred maintenance projects. Inflation, cost, and availability of student and employee housing, and wage competition continue to impact the economic outlook of the college. The College continues to work to resolve the issues that led to a warning from the accrediting body, NWCCU. There is a mid-cycle review scheduled for the college in the Spring during which the college will highlight the steps taken to address the concerns. Management continues to maintain a close watch over resources and expenses to ensure that the College's finances are sustainable while also working with the Board to address accreditation requirements and ensure continued focus on the core business activity of the College, the education of students.

Request for Information

These financial statements and discussions are designed to provide a general overview of the College's finances for all those with an interest in the College's finances. Questions concerning any information provided in this report should be addressed to Sarah Garcia, Interim Vice President for Finance and Business Affairs, North Idaho College, 1000 W. Garden Avenue, Coeur d'Alene, ID 83814.

Assets and Deferred Outflows of Resources	
Current Assets	
Cash and cash equivalents	$ 28,612,633
Tuition and fees receivable, net of allowance for uncollectible amounts of $274,551	87,321
Property tax receivable	5,718,385
Other accounts receivable	5,776,162
Prepaid supplies and expenses	184,649
Total current assets	40,379,150
Non-Current Assets	
Restricted cash and cash equivalents	694,328
Restricted deposits held by bond trustee	592,069
PERSI Sick Leave	4,036,025
Net pension asset	217,705
Right-to-use asset, less accumulated amortization	393,075
Non-depreciable capital assets	24,807,698
Depreciable capital assets less accumulated depreciation	54,713,092
Total non-current assets	85,453,992
Total assets	125,833,142
Deferred Outflow of Resources	
Pension obligation	4,063,241
PERSI Sick Leave	415,646
OPEB obligation	1,049,901
Total deferred outflow of resources	5,528,788
Total Assets and Deferred Outflow of Resources	$ 131,361,930

Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Accounts payable	$ 2,333,652
Accrued salaries and benefits	3,082,660
Other accrued liabilities	207,657
Unearned tuition and fees revenue	294,039
Deposits held in custody for others	160,844
Interest payable	46,643
Long-term liabilities, current portion	572,143
Total current liabilities	6,697,638
Non-Current Liabilities	
Lease liability, less current portion	212,473
Revenue bonds, less current portion	7,901,448
Compensated absences, less current portion	928,754
Total obligation for other post-employment benefits	4,587,972
Total non-current liabilities	13,630,647
Total liabilities	20,328,285
Deferred Inflow of Resources	
Pension obligation	7,448,694
PERSI Sick Leave	961,370
OPEB obligation	347,656
Total deferred inflow of resources	8,757,720
Net Position	
Net investment in capital assets	71,391,699
Restricted for:	
Capital projects and debt service	3,882,116
PERSI Sick Leave	3,490,301
Unrestricted	23,511,809
Total net position	102,275,925
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 131,361,930

Revenues	
Operating revenues	
Student tuition and fees, net of scholarship allowances of $5,614,745	$ 8,192,842
Auxiliary enterprises revenue	1,174,160
State and local grants and contracts	1,770,932
Federal grants and contracts	1,533,319
Other operating revenues	3,966,809
Total operating revenues	16,638,062
Expenses	
Operating expenses	
Instruction	22,685,865
Academic support	6,508,642
Student services	4,466,928
Public service	7,791,964
Operations and maintenance of plant	6,027,799
Athletic support	1,540,418
Institutional support	9,380,684
Financial aid	4,403,321
Auxiliary enterprises	1,245,419
Depreciation	3,329,450
Total operating expenses	67,380,490
Operating Loss	(50,742,428)
Non-Operating Revenues (Expenses)	
State appropriations	19,040,800
Property taxes	18,893,657
State grants and contracts	1,458,859
Federal grants and contracts	14,712,113
Other income	560,385
Private gifts, grants, and contracts	1,928,703
Interest income	72,423
Interest expense	(263,322)
Loss on disposal of capital assets	(10,483)
Total non-operating revenues	56,393,135
Change in Net Position	5,650,707
Net Position, Beginning of Year	96,625,218
Net Position, End of Year	$ 102,275,925

Operating Activities	
Tuition and fees	$ 8,393,923
Payments to suppliers	(16,688,885)
Payments to employees	(43,889,086)
Payments for financial aid	(4,403,321)
Auxiliary enterprise charges	1,174,160
Federal, state, and local grants and contracts	3,304,251
Other revenue	4,540,042
Net Cash used for Operating Activities	(47,568,916)
Noncapital Financing Activities	
Local property taxes	19,046,760
State appropriations	19,040,800
Grants and contracts	18,660,060
Net Cash from Noncapital Financing Activities	56,747,620
Capital and Related Financing Activities	
Purchase of capital assets	(6,386,810)
Principal paid on lease liability	(178,513)
Principal paid on capital debt	(300,000)
Interest paid on capital debt	(275,038)
Net Cash used for Capital and Related Financing Activities	(7,140,361)
Investing Activities	
Interest on cash deposits	72,423
Net Cash from Investing Activities	72,423
Net Change in Cash, Restricted Cash, and Cash Equivalents	2,110,766
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	27,788,264
Cash, Restricted Cash, and Cash Equivalents, End of Year	$ 29,899,030

Reconciliation of Operating Loss to Net	
Cash used for Operating Activities	
Operating loss	$ (50,742,428)
Adjustments to reconcile operating loss to net cash	
used for operating activities	
Depreciation and amortization	3,515,606
GASB 68 - Actuarial pension revenue	(1,593,217)
Change in PERSI Sick Leave	(296,220)
Change in OPEB obligation	974,846
Changes in assets and liabilities	
Receivables, net	796,615
Prepaid supplies and expenses	19,305
Accounts payable	(149,298)
Accrued salaries and benefits	9,916
Other accrued liabilities	95,914
Unearned tuition and fees revenue	(22,301)
Deposits held in custody for others	(46,608)
Compensated absences	(131,046)
Net Cash used for Operating Activities	$ (47,568,916)
Supplemental Disclosure of Noncash Activity	
Amortization of premium of refunding	$ 10,166
Capital assets acquired from accounts payable	963,470
Reconciliation of Cash, Restricted Cash, and Cash Equivalents	
Cash and cash equivalents	$ 28,612,633
Restricted cash and cash equivalents	694,328
Restricted deposits held by bond trustee	592,069
Total cash, restricted cash, and cash equivalents	$ 29,899,030

Assets	
Current Assets	
Cash and cash equivalents	$ 3,196,381
Contributions receivable, net	2,000
Cash surrender value of life insurance	66,000
Other assets	486,791
Total current assets	3,751,172
Property and Equipment, net	-
Noncurrent Assets	
Noncurrent contributions receivable, net	5,279
Investments	34,368,488
	$ 38,124,939
Liabilities and Net Assets	
Current Liabilities	
Accounts and other payables	$ 973,110
Deferred revenue	750,000
Total current liabilities	1,723,110
Net Assets	
Without donor restrictions	
Designated by the Board for endowment purposes	6,799,482
Undesignated revenue from raffle fund-raiser	158,133
Undesignated	2,441,170
Total without donor restrictions	9,398,785
With donor restrictions	
Unappropriated endowment earnings	8,362,061
Nonendowment, with donor restrictions	3,682,650
Perpetuity	14,958,333
Total with donor restrictions	27,003,044
Total net assets	36,401,829
	$ 38,124,939

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Raffle ticket sales	$ 550,000	$ -	$ 550,000
Contributions financial assets	192,627	1,044,745	1,237,372
Contributions nonfinancial assets	124,813	-	124,813
Investment income	44,637	126,154	170,791
Net gain on investments	(1,431,582)	(4,046,244)	(5,477,826)
Net assets released from restrictions			
Satisfaction of program restrictions	1,552,714	(1,552,714)	-
Net transfers	591,235	(591,235)	-
Total revenues, gains, and support	1,624,444	(5,019,294)	(3,394,850)
Expenses			
Program services	1,442,482	-	1,442,482
Supporting services			
General and administrative	208,216	-	208,216
Fund-raising	578,082	-	578,082
Total expenses	2,228,780	-	2,228,780
Change in Net Assets	(604,336)	(5,019,294)	(5,623,630)
Net Assets, Beginning of Year	10,003,121	32,022,338	42,025,459
Net Assets, End of Year	$ 9,398,785	$ 27,003,044	$ 36,401,829

Note 1 - Principal Business Activity and Significant Accounting Policies

Description of Entity

North Idaho College (NIC or the College) meets the diverse educational needs of students, employers, and the northern Idaho communities it serves through a commitment to student success, educational excellence, community engagement and life-long learning. As a comprehensive community college, North Idaho College strives to provide accessible, affordable, and quality learning opportunities. North Idaho College endeavors to be an innovative, flexible leader recognized as a center of educational, cultural, economic, and civic activities by the communities it serves.

The College was first known as Coeur d'Alene Junior College, a private school that was started in 1933 and operated for six years. In January 1939, the state legislature passed the Junior College Act, which permitted qualified areas to establish junior college districts by a vote of eligible electors. Coeur d'Alene Junior College became North Idaho Junior College in June of 1939. On July 31, 1971, the College changed its name to North Idaho College. NIC's service area is the Idaho panhandle, which includes Kootenai, Benewah, Bonner, Shoshone and Boundary counties.

NIC offers Associate of Arts and Associate of Science degrees in various college transfer programs, and Associate of Applied Science degrees and technical certificates in its career-technical programs. Many credit courses are offered evenings and during the summer on the NIC campus and at outreach sites. NIC's enrollment in credit courses is approximately 6,600 students annually. NIC also includes a contemporary Workforce Training/Community Education Center, which is located in the Riverbend Commerce Park in nearby Post Falls. Noncredit classes and workforce training programs serve another 4,500 students each year.

The College is fully accredited in all instructional areas by the Northwest Association of Schools and Colleges and the Idaho State Division of Career Technical Education. The Nursing Program is accredited by the National League for Nursing Accrediting Commission.

The College operates a full-year Head Start Program under a federal grant. The Head Start Program provides comprehensive early child development for disadvantaged preschool children and their families.

The College operates an office on Aging and Adult Services. This office has been charged with the responsibility of coordinating a comprehensive program for all senior citizens in the five-county area of North Idaho. Funding is primarily received through federal grants under Title III of the Older Americans Act of 1965.

Reporting Entity

The College's financial statements for fiscal year ended June 30, 2022, are prepared in accordance with the pronouncements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles in the United State of America (GAAP).

As defined by GAAP established under GASB, the financial reporting entity consists of the primary government as well as its component units, the North Idaho College Dormitory Housing Commission (the DHC) and the North Idaho College Foundation, Inc. (the Foundation).

Per Idaho Code 33-2118, the North Idaho College Dormitory Housing Commission is appointed by the governor to oversee operations of dormitory housing projects for North Idaho College. The DHC exists to the benefit of the College by providing dormitory and other auxiliary services to the students. Although the DHC has its own governing body and the College does not control the actions of the DHC, it is presented as a blended component unit because of the nature and significance of its relationship with the College.

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fundraising organization to supplement the resources that are available to the College in support of its programs. The 30-member board of the Foundation is self-perpetuating and consists of graduates and friends of the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources or income 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's financial statements for fiscal year ended June 30, 2022, are discretely presented because of the nature and significance of its relationship with the College.

The Foundation is a private not-for-profit organization that reports its financial statements in accordance with the pronouncements of Financial Accounting Standard 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.

Financial statements for the Foundation can be obtained by calling the Foundation at 208-769-5978.

Basis of Accounting

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

Non-exchange transactions, in which the College receives value without directly giving equal value in return 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.

When both restricted and unrestricted resources are available for use, it is the College's policy to use restricted resources first, then unrestricted resources as they are needed.

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. Cash balances that are restricted and not expected to be expended within the subsequent year are classified as noncurrent assets. The College has some funds on deposit with the Idaho State Local Government Investment Pool (LGIP) and considers all such funds with the LGIP as cash and cash equivalents. Even though the weighted average of the underlying investments of the LGIP is greater than 90 days, the College can liquidate its deposits within a few days.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also includes amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College’s grants and contracts. Accounts receivable balances are recorded net of estimated uncollectible amounts.

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 levied for 2016 through 2021 are recorded as receivables. The College's property tax is levied each November on the assessed value listed as of the prior September for all property located in Kootenai County (the County). Assessed values are established by the County Assessor. Property tax payments are due in one-half installments in December and June.

Prepaid Expenses

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

Restricted Cash and Cash Equivalents

In accordance with debt covenant restrictions and agency fund requirements, the College is obligated to separately hold cash amounts sufficient to satisfy the debt covenants and agency fund requirements. These amounts are shown as noncurrent assets.

Capital Assets

Capital assets are stated at cost when purchased or constructed, or if donated, 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. Renovations and improvements to buildings that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40 years for buildings, 20 years for improvements other than buildings, infrastructure 10 years, and 5-20 years for furniture and equipment.

Right-to-use leased assets are recognized at the lease commencement date and represent the College's right to use an underlying asset for the lease term. Right-to-use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right-to-use leased assets are amortized over the shorter of the lease term or useful live of the underlying asset using the same method amortizing the debt. The amortization period varies from 3 to 5 years.

Unearned Revenue

Unearned revenue includes amounts received for tuition and fees prior to the end of the fiscal year but related to the subsequent accounting period.

Compensated Absences

Employees of the College are entitled to paid vacation days depending on job classification, length of service and other factors. Accumulated vacation time in excess of 30 days is forfeited at the end of every fiscal year. Sick days accumulate according to Idaho statute and the PERSI administered sick leave pool guidelines. The College retained the right to revoke this benefit annually. At June 30, 2022, no provision for the accumulated sick leave balances has been made.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Lease Liabilities represent the College's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the College.

Net Position

The College's net position is classified as follows:

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

Restricted Net Position – Expendable – Restricted expendable net position includes resources in which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted Net Position – Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments, and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the College and may be used at the discretion of the governing board to meet current expenses for any purpose. Included in the unrestricted net position is $8,400,000 as of June 30, 2022, which is designated by the Board of Trustees for future capital expenditures of the College.

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 codification section P80, such as state appropriations, property taxes and most federal, state and local grants, and investment income.

Scholarship Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or 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 tuition and fees and other student charges, the College has recorded a scholarship discount and allowance.

Income Taxes

As a public 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. However, the College is subject to federal income tax on any unrelated business taxable income. Defined by the Internal Revenue Code, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the performance by the organization of its exempt purpose or function. The College does not have unrelated business income tax to report during the fiscal year ended June 30, 2022.

Deferred Outflows and Inflows of Resources

In addition to assets, the statements 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 future period(s) and so will not be recognized as an outflow of resources (expense) until then. The College has two items that qualify for reporting in this category, deferred net pension and OPEB obligation.

In addition to liabilities, the statements of net position will include 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 so will not be recognized as an inflow of resources (revenue) until that time. The College has two items that qualifies for reporting in this category reported on the statement of net position, deferred net pension, and OPEB obligation.

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) – PERSI Sick Leave & Healthcare Plan

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Implementation of GASB Statement No. 87

As of July 1, 2021, the College adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The effect of the implementation of this standard on beginning net position is disclosed in Note 14 and the additional disclosure required by this standard is included in Notes 3 and 5.

Note 2 - Cash and Cash Equivalents and Investments

State statutes authorize 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 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 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.

At June 30, 2022, the College's cash, cash equivalents and investments consisted of the following:

	Bank Balance	Carrying Amount
Cash and cash equivalents		
Bank deposit	$ 3,770,982	$ 3,527,976
Local Government Investment Pool	24,824,732	24,819,317
Money market	265,534	265,340
Restricted cash		
Bank deposit	693,959	694,328
Bond account - money market	592,069	592,069

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a failure of a financial institution, the College's deposits and investments may not be returned to it. At June 30, 2022, $4,322,544 of the College's deposits were uninsured and uncollateralized. The College does not have a deposit policy for custodial credit risk.

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 or deposit purposes. This pooling is intended to improve administrative efficiency and increase investment yield. The Local Government Investment Pool (LGIP) 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 are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The College's investment in the LGIP is not required to be rated, nor has it been rated as of June 30, 2022.

The LGIP 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.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the College manages its exposure to interest rate risk is by keeping funds needed for operations in short-term liquid investments. All investment types discussed above have a maturity date of less than one year.

Note 3 - Capital and Right-To-Use Assets

Capital assets at June 30, 2022 consist of the following:

	Balance 7/1/2021	Additions	Retirements	Balance 6/30/2022
Capital assets, not being depreciated				
Land	$ 16,816,025	$ -	$ -	$ 16,816,025
Construction in progress	1,565,270	6,426,403	-	7,991,673
Total capital assets not being depreciated	18,381,295	6,426,403	-	24,807,698
Capital assets, being depreciated				
Grounds improvements	6,198,087	-	-	6,198,087
Buildings	85,803,637	-	-	85,803,637
Furniture and equipment	15,648,287	923,877	(148,576)	16,423,588
Infrastructure	7,472,694	-	-	7,472,694
Total capital assets being depreciated	115,122,705	923,877	(148,576)	115,898,006
Less accumulated depreciation				
Grounds improvements	3,092,298	250,750	-	3,343,048
Buildings	37,117,164	2,011,561	-	39,128,725
Furniture and equipment	11,781,233	953,419	(138,093)	12,596,559
Infrastructure	6,002,862	113,720	-	6,116,582
Total accumulated depreciation	57,993,557	3,329,450	(138,093)	61,184,914
Capital assets being depreciated, net	57,129,148	(2,405,573)	(10,483)	54,713,092
Total capital assets, net	$ 75,510,443	$ 4,020,830	$ (10,483)	$ 79,520,790

Right-to-use assets at June 30, 2022 consist of the following:

	Balance as restated 7/1/2021	Additions	Retirements	Balance 6/30/2022
Right-to-use assets				
Copiers - leases	$ 175,876	$ -	$ -	$ 175,876
Buildings - leases	573,294	-	-	573,294
Total right-to-use assets	749,170	-	-	749,170
Less accumulated amortization				
Copiers - leases	47,475	59,507	-	106,982
Buildings - leases	122,464	126,649	-	249,113
Total accumulated amortization	169,939	186,156	-	356,095
Right-to-use assets, net	$ 579,231	$ (186,156)	$ -	$ 393,075

Amortization expense for the year ended June 30, 2022 was charged to the following functions:

Instruction	$ 111,968
Academic support	22,866
Public service	51,322
	$ 186,156

Note 4 - Property Taxes

Idaho counties are responsible for collecting property taxes, assessing penalties and if necessary, sale of property. In addition, the counties maintain all the records and are responsible for remitting property tax amounts to the various taxing entities within their 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 Kootenai 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. Kootenai County collects property taxes for the College.

Note 5 - Lease Liabilities

The College has entered into two master copier leases for 60 months, terminating in July 2023 and September 2024. Under the terms of the leases, the College pays a total monthly base fee of $4,708. The College also pays a monthly maintenance cost, based on the number of copies run through the machines each month. This expenditure is treated as an ordinary monthly operating cost.

The College has entered into an agreement for the right-to-use an office space for their Area Aging program. The lease terminates June 2025. Under the terms of the agreement, the College pays a monthly, escalating fee between $4,900 and $5,000.

The College has entered into an agreement for the right-to-use space for their Workforce Training Center in Post Falls, ID. The lease terminates June 2024. Under the terms of the agreement, the College pays a monthly, escalating fee between approximately $7,000 and $7,200.

At June 30, 2022, the College has recognized a right-to-use assets of $393,075, net of accumulated amortization, and a lease liability of $400,718 related to four right-to-use assets. During the fiscal year, the College recorded $186,156 in amortization expense for the right-to-use assets. The College used an interest rate of 3.50% for all of the assets.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Copier leases	$ 120,892	$ -	$ (53,433)	$ 67,459	$ 55,009
Building leases	458,339	-	(125,080)	333,259	133,236
	$ 579,231	$ -	$ (178,513)	$ 400,718	$ 188,245

Future payments on the lease agreements are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2023	$ 188,245	$ 11,024	$ 199,269
2024	151,902	4,949	156,851
2025	60,571	1,132	61,703
	$ 400,718	$ 17,105	$ 417,823

Note 6 - Long-Term Debt

Revenue Bonds, Series 2012

The College refinanced the 2001 Certificates of Participation in 2012. The new debt agreement calls for graduated annual payments on May 1 of each year, until May 1, 2022, when the entire bond will be paid off. The new interest rate ranges from 3.00% to 4.00%. The economic gain from refinancing was $2,128,104 and the cash flow gain was $1,252,957.

The 2012 bonds were fully paid off during the year ended June 30, 2022.

Revenue Bonds, Series 2016

The College acquired new debt in fiscal year 2016 for construction of the Student Wellness and Recreation Center. The new debt agreement calls for annual payments beginning November 1, 2017 until November 1, 2046, when the entire bond will be paid off. The interest rate ranges from 2.00% to 4.50%, interest only till 2023.

The 2016 bonds mature in the amounts as follows:

Years Ending June 30,	Principal	Interest	Total	Interest Rate
2023	$ 220,000	$ 276,923	$ 496,923	2.00%
2024	225,000	272,456	497,456	2.00%
2025	230,000	267,506	497,506	2.25%
2026	235,000	261,865	496,865	2.50%
2027	245,000	253,373	498,373	4.00%
2028-2032	1,375,000	1,116,248	2,491,248	3.00% - 4.00%
2033-2037	1,625,000	874,327	2,499,327	3.00% - 3.125%
2038-2042	1,900,000	584,794	2,484,794	3.125% - 3.375%
2043-2046	1,825,000	155,400	1,980,400	3.375% - 4.50%
	$ 7,880,000	$ 4,062,892	$ 11,942,892	

Unamortized premium on the Series 2016 Revenue Bonds was $241,448 as of June 30, 2022. The premium is amortized $10,166 per year through 2046.

The bonds are secured by a pledge of revenue from operation of the student union building, dormitory, student wellness and recreation center and collection of student fees over the term of the bond. The trustee is U.S. Bank, Boise, Idaho.

Bond Covenants for Revenue Bonds

The Revenue Bonds for the 2016 series calls for a reserve account to be maintained with a balance of $496,923. At June 30, 2022, $592,069 was on deposit.

The College is also required to generate fee income equal to at least 1.25 times the annual debt service requirement.

There was $739,543 in pledged revenue generated from the operations of the Student Union Building and the Dormitory to cover the debt service costs for the year ended June 30, 2022. The total debt service during the year ended June 30, 2022, was $527,198.

Changes in Long-Term Debt

Long-term liability activity for the year ended June 30, 2022, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2012 Revenue bonds	$ 300,000	$ -	$ 300,000	$ -	$ -
2016 Revenue bonds	7,880,000	-	-	7,880,000	220,000
Premium on bond issues	251,614	-	10,166	241,448	-
Compensated absences	1,223,698	200,329	331,375	1,092,652	163,898
Total long-term liabilities	$ 9,655,312	$ 200,329	$ 641,541	$ 9,214,100	$ 383,898

Note 7 - Pension Plan

Plan Description

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

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees. For the measurement period ended June 30, 2021 it was 7.16% for general employees. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees. The College's contributions were $1,243,515 for the year ended June 30, 2022.

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

At June 30, 2022, the College reported an asset/liability for its proportionate share of the net pension asset/liability. The net pension asset/liability was measured as of June 30, 2021, and the total pension asset/liability used to calculate the net pension asset/liability was determined by an actuarial valuation as of that date. The College's proportion of the net pension asset/liability was based on the College's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2022 and 2021, the College's proportion was .27565245% and .29037090%, respectively.

For the year ended June 30, 2022, the College recognized expense offset of $112,520. At June 30, 2022, 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	$ 320,758	$ 126,545
Differences between expected and actual investment earnings	-	6,837,935
Changes in actuarial assumptions	2,498,968	-
Net pension liability change in proportion	-	484,214
College's contributions subsequent to the measurement date	1,243,515	-
Total	$ 4,063,241	$ 7,448,694

The $1,243,515 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 for the year ending June 30, 2023.

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, 2020, the beginning of the measurement period ended June 30, 2021, is 4.6.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Years Ended June 30:	
2023	$ (1,189,520)
2024	(1,026,509)
2025	(852,991)
2026	(1,559,948)

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, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	6.35%, net of pension plan investment expenses
Cost-of-living adjustments	1.00%

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

- Set back 3 years for teachers
- Set back one year for all general employees and all beneficiaries

Assumptions used to calculate the enclosed figures are described in our 2021 Experience Study. The Total Pension Liability as of June 30, 2021, is based on the results of an actuarial valuation date July 1, 2021.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of 2021.

Capital Market Assumptions from Callen 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.50%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return Net of Investment Expenses		5.15%	3.06%

Investment Policy Assumptions 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 2021

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	2.30%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	6.35%

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. 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 College's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 6.35%, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's net pension liability (asset)	$ 7,567,876	$ (217,705)	$ (6,599,701)

Pension plan fiduciary net position

Detailed information about the pension's plan 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, 2022, the College reported no payables to the defined benefit pension plan for legally required employer contributions and for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Note 8 - Other Post-Employment Benefits (OPEB) - PERSI Sick Leave

Plan Description

The College contributes to the Sick Leave Insurance Reserve Fund (Sick Leave Plan) which is a cost-sharing multiple-employer defined benefit OPEB plan that covers members receiving retirement benefits that are administered by PERSI that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for the Sick Leave Plan. That report may be obtained on the PERSI website at www.persi.idaho.gov.

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. 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. During 2020-21, the PERSI Board issued a premium holiday effective January 1, 2020 through June 30, 2026. The College was not required to make any contributions for the year ended June 30, 2022.

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

At June 30, 2022, the College reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, 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 the College's proportion was 2.2181530%, which is unchanged from the 2020 proportionate share.

For the year ended June 30, 2022, the College recognized OPEB expense offset of $342,617. At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 19,316	$ 129,769
Differences between expected and actual investment earnings	-	665,662
Changes in actuarial assumptions	160,021	165,939
Net OPEB asset change in proportion	236,309	-
Total	$ 415,646	$ 961,370

The average of the expected remaining service lives of all employees that are provided with OPEB through the System (active and inactive employees) determined at July 1, 2020, the beginning of the measurement period ended June 30, 2021, is 7.7.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense (revenue) as follows:

Years Ended June 30:	
2023	$ (163,827)
2024	(146,132)
2025	(129,526)
2026	(149,632)
2027	43,324
Thereafter	69

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, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return	5.45%, net of investment expenses

The long-term expected rate of return on OPEB plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The health care trend rate is not applicable as the benefit amount a participant will receive is established with a set amount upon retirement thus would have no impact.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

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

Capital Market Assumptions from Callen 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	50.00%	2.80%	-0.20%
Broad US Equities	39.30%	8.00%	6.00%
Developed Foreign Equities	10.70%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return Net of Investment Expenses		5.15%	3.06%

Investment Policy Assumptions 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 2021

Valuation Assumptions Chosen by PERSI Board	
Long-Term Expected Real Rate of Return, Net of Investment Expenses	3.15%
Assumed Inflation	2.30%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	5.45%

Discount Rate

The discount rate used to measure the total OPEB asset was 5.45%. 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 asset. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Payables to the pension plan

At June 30, 2022, the College reported no payables to the plan.

Sensitivity of the net OPEB asset to changes in the discount rate.

The following presents the College's proportionate share of the net OPEB asset calculated as of June 30, 2022, using the discount rate of 5.45 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 (4.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's net OPEB liability (asset)	$ (3,869,847)	$ (4,036,025)	$ (4,188,329)

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.

Note 9 - Other Post-Employment Benefit (OPEB) - Healthcare Plan

Plan Description

North Idaho College operates a single–employer retiree benefit plan that provides post-employment medical, dental, and life plans upon retirement from active service. To be eligible for the College’s retiree group medical, dental, and life plans, a retiree must satisfy the PERSI retirement eligibility requirements of 55 years of age (or disability) and 5 years of service. If the active employee is in optional retirement plan (ORP), the retiree must be age 55. Once a retiree becomes eligible for Medicare, the spouse can continue medical and dental coverage until the spouse is eligible for Medicare. Disabled members and their dependents do not receive medical, dental, or life benefits. Surviving spouses are not eligible for medical, dental, or life benefits. After December 31, 2010, new retirees became ineligible to enroll themselves or their dependents in retiree life insurance.

Funding Policy

The College has not established a fund to supplement the costs for the total OPEB obligation. The required contribution is based on projected pay-as-you-go financing requirements. Retirees are required to pay 100% of the premiums based on the combined active and retiree pool for both the retiree and the dependent coverage. If a retiree has at least 25 years of service, North Idaho College will contribute 71% of the retiree medical and dental plan premiums. The membership as of July 1, 2020 includes 478 active participants, 70 retirees and surviving spouses, and 38 spouses of current retirees.

Significant Changes

The College pays a portion of the retiree premium for members with 25 or more years of service. Previously the retiree had to exhaust their sick leave balance which was assumed would take three years. Effective July 1, 2021, North Idaho College no longer requires members with 25 or more years of service to exhaust their sick leave. This change is reflected as a plan change.

Total OPEB Liability

The total OPEB liability at June 30, 2022, was determined by an actuarial valuation as of July 1, 2020, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date of June 30, 2021. There have been no significant changes between the valuation date and the fiscal year end.

The assumptions used to determine the OPEB liability at June 30, 2022 are as follows:

Inflation	2.20%
Salary increases	2.95%
Discount rate	2.21%
Medical price index trend	3.70%-8.90%
Dental price index trend	.00%-4.00%

The discount rate was based on Bond Buyer 20-Bond GO Index. Mortality rates were based on the RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection. The total OPEB liability was based on the 2016 PERSI Experience study for demographic assumptions and the July 1, 2016 OPEB Valuation for the economic and OPEB specific assumptions.

Changes in the Total OPEB Liability

Balance at June 30, 2020 (Measurement Date)	$ 3,582,201
Changes for the year:	
Service cost	310,800
Interest on total OPEB liability	83,803
Effect of economic/demographic (gains) or losses	798,449
Effect of assumptions changes or inputs	15,911
Expected benefit payments	(203,192)
Balance at June 30, 2021 (Measurement Date)	$ 4,587,972

OPEB expense was $974,849 for the year ended June 30, 2022.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 290,280	$ 191,907
Changes in actuarial assumptions	520,886	155,749
College's contributions subsequent to the measurement date	238,735	-
Total	$ 1,049,901	$ 347,656

The $238,735 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as an addition to the total OPEB liability for the year ending June 30, 2023.

Deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense (revenue) as follows:

Years Ended June 30:	
2023	$ 20,531
2024	20,531
2025	126,337
2026	164,563
2027	129,676
Thereafter	1,872

Sensitivity Analysis

The following presents the total OPEB liability of the College as of June 30, 2022, calculated using the discount rate of 2.16%, 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 (1.16%) or 1 percentage point higher (3.16%) than the current rate.

	1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB Liability	$ 4,915,560	$ 4,587,972	$ 4,278,712

The following presents the total OPEB liability of the College June 30, 2022, 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 the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	$ 4,094,710	$ 4,587,972	$ 5,173,998

Note 10 - Contingencies

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 11 - Related Party Transactions

Significant transactions occurring between the Foundation and the College include: the Foundation made scholarship and other support payments to the College in the amounts of $1,442,482 for the year ended June 30, 2022. The College also provided funding for the Foundation’s staff salary and benefits in the amounts of $271,084 for the year ended June 30, 2022. Amounts receivable from the Foundation as of June 30, 2022 was $947,720.

Note 12 - Component Unit – North Idaho College Dormitory Housing Commission

The North Idaho College Dormitory Housing Commission is presented as a blended component unit. Condensed statements of financial position for the year June 30, 2022 is as follows:

Current Assets	$ 1,104,460
Capital Assets	20,566,193
Total Assets	$ 21,670,653
Current Liabilities	$ 108,039
Due to Other Funds	4,609,072
Noncurrent Liabilities	7,926,643
Total Liabilities	12,643,754
Net Position	9,026,899
Total Liabilities and Net Position	$ 21,670,653

Condensed statements of activities for the year ended June 30, 2022 is as follows:

Operating Revenues	
Sales and rentals	$ 1,174,159
Interest income	373
Fee revenue	828,555
Total operating revenue	2,003,087
Building Expenses	1,265,701
Income from Operations	737,386
Non-Operating Revenue and Expenses	
Debt service	(263,322)
Change in Net Position	474,064
Net Position, Beginning of Year	8,552,835
Net Position, End of Year	$ 9,026,899

Note 13 - Component Unit – North Idaho College Foundation, Inc.

Nature of Activities and Summary of Significant Accounting Policies

Foundation Operations

The North Idaho College Foundation, Inc. (the Foundation) is discretely presented within the financial statements as a component unit. The Foundation was incorporated on October 12, 1977, as an Idaho non-profit corporation with a perpetual existence for the purpose of providing scholarships and other sources of aid to the college community. The exclusive beneficiaries of the Foundation are North Idaho College (NIC or the College) and its students. The Foundation operates from offices provided by North Idaho College. The Foundation receives revenues and support primarily through contributions and fund-raising activities.

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's financial statements are prepared in accordance with the standards set by the Financial Accounting Standards Board (FASB). FASB standards require three classes of net assets: unrestricted, temporarily restricted, and permanently restricted instead of reporting by fund as is done under GASB standards. Other differences include criteria for recognizing in-kind donations and the presentation of information.

Investments

The Foundation primarily invests with the Commonfund for Nonprofit Organizations (Commonfund), which holds a diversified portfolio of marketable common stocks and other marketable equity-type investments including, but not limited to, convertible bonds, convertible preferred stocks, and warrants. The Commonfund investments may also hold cash, short-term obligations, and U.S. government, corporate, and other bonds. The Foundation also uses four investment managers to manage portfolios of equity securities. Investments are carried at market or net asset value (NAV) per share or its equivalent, as provided by fund management, and realized and unrealized gains and losses are reflected in the statements of activities. The market value of the investments is as follows at June 30, 2022:

Commonfund investments	$ 26,663,367
Domestic securities	6,065,019
Foreign securities	1,640,102
	$ 34,368,488

The following investment earnings, investment fees, and unrealized gains and losses have been allocated among all net assets based on average balances for the year ended June 30, 2022 unless otherwise stipulated:

Net unrealized and realized gain on investments held at market	$ (5,477,826)
Investment income	251,738
Investment fees	(80,947)
	$ (5,307,035)

Endowment Accounts

The Foundation's endowment consists of approximately 378 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of North Idaho College Foundation, Inc. has interpreted the Uniform Prudent Management for 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 absent explicit donor stipulations to the contrary. As a result of this interpretation, North Idaho College Foundation, Inc. classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulation to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditures by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following facts in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purpose of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policies of the Foundation

Endowment net asset composition by type of fund as of June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 23,320,394	$ 23,320,394
Board-designated endowment funds	6,799,482	-	6,799,482
	$ 6,799,482	$ 23,320,394	$ 30,119,876

Changes in Endowment net assets for the fiscal year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 7,236,166	$ 27,500,835	$ 34,737,001
Investment return			
Investment income	33,397	117,034	150,431
Net loss (realized and unrealized)	(1,071,178)	(3,753,507)	(4,824,685)
Total investment returns	(1,037,781)	(3,636,473)	(4,674,254)
Contributions	5,000	420,349	425,349
Appropriation of endowment assets for expenditure	(8,995)	(977,473)	(986,468)
Other changes			
Board designated funds	605,092	-	605,092
Transfers at donor request from Nonendowed funds to endowed funds	-	13,156	13,156
Endowment net assets, end of year	$ 6,799,482	$ 23,320,394	$ 30,119,876

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. The amount of deficiencies totaled $4,523, which were reported in net assets with donor restrictions as of June 30, 2022.

Absent donor stipulations to the contrary, the Foundation will not appropriate for expenditure from a permanent endowment fund if such expenditure will result in the fair value of the fund falling below the perpetual value of the fund, measured as of June 30 of the fiscal year of appropriation.

Return Objectives and Risk Parameters

The object of the investment and spending policies for endowment assets adopted by the Foundation is to preserve and, over time, increase the inflation adjusted value of the investable assets of the Foundation. Second, the objective is to maximize, over the long run, the total rate of return on investable assets, assuming a level of risk consistent with prudent investment practices for such funds. Endowment assets, for purposes of this disclosure, include those assets of donor-restricted funds the Foundation must hold in perpetuity or for a donor-specified period as well as Board-designated (quasi-endowment) funds. All endowment and quasi-endowment funds shall be subject to the same high level of prudent investment policy.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Foundation has a policy of appropriating for distribution each year 5% of its endowment fund's average dollars available for the prior three years through the fiscal year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long-term, the Foundation expects the current spending policy to allow its endowment to grow at an average of 6% annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment returns.

Fair Value and Financial Instrument

The Foundation has determined the fair value of certain assets and liabilities in accordance with the provisions of the Fair Value Measurements and Disclosures Topic of FASB ASC, which provides a framework for measuring fair value under accounting principles generally accepted in the United States of America.

FASB ASC 820-10-20 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs are developed based on independent market data obtained from sources independent of the Foundation. Unobservable inputs reflect the Foundation's own assumptions about market inputs based on its own data.

A fair value hierarchy has also been established by the *Fair Value Measurements and Disclosures Topic* of FASB ASC, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted market prices in active markets for identical assets or liabilities the Foundation has the ability to access at the measurement date. Level 2 inputs consist of valuations other than quoted prices included in Level 1 that are observable by the Foundation for the related asset or liability. Level 3 inputs consist of unobservable valuations related to the asset or liability.

Investments in corporate bonds and equity securities are valued based on quoted market prices, and are therefore, typically classified within Level 1.

Investments with the Common Fund are valued using NAV per share or its equivalent as reported by the investment manager that are audited under AICPA guidelines and that have activity and the ability to redeem at NAV on or near the reporting date are evaluated outside of the fair value hierarchy in accordance with ASU 2015-07.

The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. In addition, while the Foundation believes that its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. The Foundation has not changed their valuation methods during the current year or prior year.

The following table summarizes the valuation of the Foundation's investments by the above FASB ASC 820 fair value hierarchy levels as of June 30, 2022:

	Level 1	Level 2	Level 3	Total
Domestic securities	$ 6,065,019	$ -	$ -	$ 6,065,019
Foreign securities	1,640,102	-	-	1,640,102
Total assets in the fair value heirarchy	$ 7,705,121	$ -	$ -	7,705,121
Investments measured at NAV practical expedient				26,663,367
Investments at fair value				$ 34,368,488

The Foundation recognizes transfers into and out of levels at the end of the reporting period. There were no transfers between levels in the year ended June 30, 2022.

The following table presents information regarding funds with fair value that is determined using the NAV (or its equivalent) provided by the fund as of June 30, 2022.

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Available)	Redemption Notice Period
Common Fund for Nonprofit Organizations				
Multi-Strategy Equity Fund (a)	$ 20,737,725	-	Monthly	5 Business Days
Multi-Strategy Bond Fund (b)	5,925,642	-	Monthly	5 Business Days
	$ 26,663,367			

(a) The Multi-Strategy Equity program allocates assets across a broad spectrum of public equity strategies in proportions considered optimal for a fully diversified equity portfolio. The majority of the program's assets generally will be invested directly or indirectly in a portfolio of common stocks, and securities convertible into common stocks, of U.S. companies. The program's allocation to the U.S. equity market will include exposure to companies in the S&P 500 Composite Index, the benchmark for the program, as well as companies not included in the Index. The program will seek to diversify its portfolio by allocating assets to common stocks and other equity securities of foreign companies in both developed and emerging markets. In addition, the program expects to invest in marketable alternative strategies that seek opportunities in domestic and foreign markets for equity-type returns with low correlation to the equity markets.

(b) The Multi-Strategy Bond program allocates assets across a broad spectrum of fixed income sectors in proportions considered optimal for a fully diversified fixed income portfolio. The majority of the program's assets generally will be invested directly or indirectly in dollar-denominated investment grade bonds and other fixed income securities in an attempt to outperform the broad U.S. bond market. The program will seek to diversify its portfolio by allocating assets to other fixed income securities and strategies, including but not limited to global bonds, inflation indexed bonds, high yield bonds, emerging markets debt, and opportunistic credit strategies. Under normal circumstances, at least 80 percent of the net assets of the program will be invested directly or indirectly in fixed income securities or cash. The benchmark for the program is Barclays Capital U. S. Aggregate Bond Index.

Note 14 - Adoption of New Standard

As of July 1, 2021, the College adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use of an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Beginning fiscal year 2022 net position was restated to retroactively adopt the provisions of GASB Statement No. 87 as follows:

Net position at June 30, 2021	$ 96,625,218
Add right-of-use asset, net of accumulated amortization at June 30, 2021	579,231
Less lease liability at June 30, 2021	(579,231)
Net position at July 1, 2021, as restated	$ 96,625,218

Note 15 - Subsequent Events

Subsequent to year end, the College purchased property near campus, previously occupied by the Fort Ground Grill, for $1M cash. The Board of Trustees of the College considers the property on Military Drive to be strategic for the growth and expansion of the campus. In prior years, the Board authorized the purchase of several retail properties on Military Drive and the acquisition of this property further assists in creating opportunity.

Required Supplementary Information
June 30, 2022

North Idaho College

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

	Reported as of the measurement date of June 30,						
	2021	2020	2019	2018	2017	2016	2015
Employer's proportion share of the net pension liability (asset)	0.27565245%	0.2903709%	0.3011448%	0.3222206%	0.3428184%	0.3447564%	0.3573277%
Employer's proportionate share of the net pension liability (asset)	$ (217,705)	$ 6,742,796	$ 3,437,484	$ 4,752,810	$ 5,388,516	$ 6,988,742	$ 4,705,425
Employer's covered payroll	$ 10,260,129	$ 10,548,212	$ 10,228,095	$ 10,367,000	$ 10,297,312	$ 10,080,885	$ 10,455,717
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-2.12%	63.92%	33.61%	45.85%	52.33%	69.33%	45.00%
Plan fiduciary net position as a percentage of the total pension liability (asset)	100.36%	88.22%	93.79%	91.69%	90.68%	84.26%	94.95%

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

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

	Reported as of the measurement date of June 30,						
	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ 1,243,515	$ 1,225,058	$ 1,257,277	$ 1,157,820	$ 1,173,544	$ 1,165,656	$ 1,141,156
Contributions in relation to the statutorily required contribution	$ (1,243,515)	$ (1,225,058)	$ (1,257,277)	$ (1,157,820)	$ (1,173,544)	$ (1,165,656)	$ (1,141,156)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 10,414,700	$ 10,260,129	$ 10,548,212	$ 10,228,095	$ 10,367,000	$ 10,297,312	$ 10,080,885
Contributions as a percentage of the covered payroll	11.94%	11.94%	11.92%	11.32%	11.32%	11.32%	11.32%

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

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

	Reported as of the measurement date of June 30,				
	2021	2020	2019	2018	2017
Employer's proportion share of the net OPEB asset	2.2181530%	2.2181530%	2.4294989%	2.4781575%	2.5252992%
Employer's proportionate share of the net OPEB asset	$ 4,036,025	$ 3,130,987	$ 3,265,564	$ 3,156,461	$ 2,402,308
Employer's covered payroll	$ 27,412,652	$ 28,964,188	$ 28,015,911	$ 27,277,189	$ 26,565,168
Employer's proportionate share of the net OPEB asset as a percentage of its covered payroll	14.72%	10.81%	11.66%	11.57%	9.04%
Plan fiduciary net position as a percentage of the total OPEB asset	274.55%	251.29%	226.97%	225.45%	204.12%

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

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

	Reported as of the fiscal year end date of June 30,				
	2022	2021	2020	2019	2018
Statutorily required contribution	$ -	$ -	$ 99,644	$ 182,103	$ 177,303
Contributions in relation to the statutorily required contribution	$ -	$ -	$ (99,644)	$ (182,103)	$ (177,303)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 28,336,834	$ 27,412,652	$ 28,964,188	$ 28,015,911	$ 27,277,189
Contributions as a percentage of the covered payroll	0.00%	0.00%	0.34%	0.65%	0.65%

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

Schedule of Changes in the College's Total OPEB Liability
OPEB - Healthcare Plan
Last 10 - Fiscal Years *

	Reported as of the measurement date of June 30,				
	2021	2020	2019	2018	2017
Service cost	$ 310,800	$ 195,813	$ 181,094	$ 204,395	$ 198,442
Interest on total OPEB liability	83,803	86,458	86,437	108,276	101,548
Effect of economic/demographic gains or (losses)	798,449	411,229	-	(525,655)	-
Effect of assumptions changes or inputs	15,911	671,139	64,089	(426,617)	-
Expected benefit payments	(203,192)	(112,727)	(106,526)	(149,259)	(87,259)
Net change in total OPEB liability	1,005,771	1,251,912	225,094	(788,860)	212,731
Total OPEB liability - beginning of year	3,582,201	2,330,289	2,105,195	2,894,055	2,681,324
Total OPEB liability - end of year	$ 4,587,972	$ 3,582,201	$ 2,330,289	$ 2,105,195	$ 2,894,055

*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.

No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you go basis. Contributions are not made based on a measure of pay. Therefore, no measure of payroll is presented.

Supplementary Information
June 30, 2022

North Idaho College

	Original Budget*	Actual	Variance with Final Budget
Revenues			
State allocations	$ 19,031,000	$ 19,084,994	$ 53,994
Property taxes	17,309,145	17,309,145	-
Tuition and fees	10,613,285	11,206,419	593,134
Other revenues	2,547,837	6,454,634	3,906,797
Total revenues	49,501,267	54,055,192	4,553,925
Expenditures			
Direct Instruction	18,569,871	17,374,622	1,195,249
Academic Support	6,436,384	5,496,669	939,715
Student Services	4,011,643	3,677,453	334,190
Institutional Support	8,592,599	8,544,918	47,681
Plant Operations and Maintenance	4,691,874	4,233,825	458,049
Public Service	49,000	49,013	(13)
Student Aid	956,675	4,500,227	(3,543,552)
Transfers	6,193,221	6,020,633	172,588
Total expenditures	49,501,267	49,897,360	(396,093)
Revenues Over Expenditures	$ -	$ 4,157,832	$ 4,157,832

** Budget was not amended during the year.*

DORMITORY HOUSING COMMISSION OF NORTH IDAHO COLLEGE
HISTORIC AND PROJECTED DEBT SERVICE COVERAGE FROM PLEDGED REVENUES

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Budget	FY 2024 Forecast	FY 2025 Forecast
Building Revenues										
Revenues from Sales and Rentals [1]	$ 4,096,824	$ 2,958,820	$ 2,225,985	$ 1,619,429	$ 1,201,916	$ 1,742,829	$ 1,174,159	$ 1,969,111	$ 2,004,967	$ 2,066,989
Interest Income	871	1,418	2,504	4,909	3,881	880	358	250	300	300
Total Building Revenues	**$ 4,097,695**	**$ 2,960,238**	**$ 2,228,490**	**$ 1,624,338**	**$ 1,205,797**	**$ 1,743,709**	**$ 1,174,517**	**$ 1,969,361**	**$ 2,005,267**	**$ 2,067,289**
Operations and Maintenance Expense										
Cost of Merchandise Sold [2]	$ 2,085,332	$ 1,318,971	$ 490,662	$ 235,135	$ 2,044	$ 3,095	$ 2,436	$ 328,671	$ 332,523	$ 350,002
Salaries and Benefits [3]	1,075,008	977,072	1,122,083	960,507	841,192	774,730	818,947	957,470	990,071	1,016,275
Repairs, Maintenance, and Supplies [4]	70,347	78,532	150,124	110,273	144,219	89,467	136,855	164,450	176,500	194,706
Utilities and Garbage [5]	134,893	123,736	114,530	82,492	72,589	77,268	85,037	86,864	90,519	94,344
Other Operating Expenses [6]	430,742	152,766	202,364	324,908	136,781	677,719	226,342	549,556	581,874	599,418
Total Building Expenses	**$ 3,796,322**	**$ 2,651,076**	**$ 2,079,763**	**$ 1,713,315**	**$ 1,196,826**	**$ 1,622,279**	**$ 1,269,617**	**$ 2,087,010**	**$ 2,171,487**	**$ 2,254,745**
Net Revenue of Buildings	**$ 301,373**	**$ 309,162**	**$ 148,727**	**$ (88,977)**	**$ 8,971**	**$ 121,430**	**$ (95,100)**	**$ (117,650)**	**$ (166,220)**	**$ (187,456)**
Student Union Fee + Other Income	$ 598,873	$ 580,305	$ 527,488	$ 504,596	$ 476,873	$ 443,951	$ 428,087	$ 406,682	$ 406,682	$ 418,883
Student Wellness & Recreation Center Fee + Other	238,243	542,866	493,457	472,042	446,107	415,309	400,468	380,451	380,451	391,865
Student Union Fee Revenue [7]	**$ 837,116**	**$ 1,123,171**	**$ 1,020,945**	**$ 976,638**	**$ 922,980**	**$ 859,260**	**$ 828,555**	**$ 787,133**	**$ 787,133**	**$ 810,747**
Total Pledged Revenues	**$ 1,138,489**	**$ 1,432,333**	**$ 1,169,672**	**$ 887,661**	**$ 931,951**	**$ 980,690**	**$ 733,455**	**$ 669,484**	**$ 620,914**	**$ 623,292**
Debt Service on Parity Obligations										
Series 2008 Bonds	$ 409,650	$ 353,850	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Series 2012 Bonds [8]	413,989	413,738	817,534	822,589	816,296	817,918	308,556	-	-	-
Series 2016 Bonds [9]	-	301,551	287,537	258,866	245,666	253,053	218,642	497,656	498,206	498,369
Total Debt-Service	**$ 823,639**	**$ 1,069,139**	**$ 1,105,071**	**$ 1,081,456**	**$ 1,061,962**	**$ 1,070,971**	**$ 527,197**	**$ 497,656**	**$ 498,206**	**$ 498,369**
Fund Balance Support	**$ -**	**$ -**	**$ 207,000**	**$ 459,000**	**$ 396,000**	**$ 353,000**	**$ -**	**$ -**	**$ -**	**$ -**
Debt Service Coverage	**1.38**	**1.34**	**1.25**	**1.25**	**1.25**	**1.25**	**1.39**	**1.35**	**1.25**	**1.25**
Available for CapEx or Increase in Fund Balance	**$ 314,850**	**$ 363,194**	**$ 64,601**	**$ (193,795)**	**$ (130,011)**	**$ (90,281)**	**$ 206,258**	**$ 171,828**	**$ 122,707**	**$ 124,923**

Footnotes

(1) FY 2022 Building Revenues reflect COVID-19 related enrollment decline. FY 2023 - FY 2025 reflects stabilizing enrollment and modest increases in rental fees.

(2) FY 2022 - FY 2025 reflects Student Wellness & Recreation Outdoor Program activity.

(3) FY 2022 Salaries and Benefits reflect salary / wages increase for existing positions. FY 2023 - FY 2025 reflects post COVID-19 staffing and average annual increase = 8.03%.

(4) FY 2022 Repair, Maintenance, and Supplies reflect Residence Hall, Student Union, and Student Wellness and Recreation projects. FY 2023 - FY 2025 reflects deferred maintenance projects,

(5) FY 2022 - FY 2025 reflects annual average = 4.94% of Revenues from Sales and Rentals.

(6) FY 2022 reflects mid-year transition to Cost-Plus contract arrangement with Sodexo America, LL. FY 2022 reflects Student Union chair replacement = $114,240. FY 2023 - FY 2025 reflects annual average = 28.65% of Revenues from Sales and Rentals.

(7) FY 2022 Student Union Fee and Other Income reflects COVID-19 related enrollment decline. FY 2023 reflects (5%) decline from FY 2022. FY 2024 reflects no change from FY 2023. FY 2025 reflects 3% increase from FY 2024.

(8) Series 2012 Bonds (Dormitory) reflect maturity in FY 2022.

(9) Series 2016 Bonds (Student Wellness & Recreation Center) reflect interest only through FY 2022. FY 2023 - FY 2025 reflect principal and interest obligation.

Source: The Commission.

DHC Auxiliary Enterprise Funds - Revenues, Expenses and Changes in Fund Balance

	Schedule of Funds Provided for Required Debt Service	Auxiliary Enterprise Funds Summary from Audited Financial Statements					
Fiscal Year	2022	2021	2020	2019	2018	2017	2016
	Based on Audit [1]	Audited	Audited	Audited	Audited	Audited	Audited
Funds Pledged for Debt service							
Income from DHC Building operations							
Revenues for sales & rentals	$ 865,603 [2]	$ 924,911	$ 385,620	$ 796,840	$ 1,408,451	$ 2,545,082	$ 3,687,174
Dormitory Revenues	308,556 [3]	817,918	816,296	822,589	817,534	413,738	409,650
Subtotal	$ 1,174,159	$ 1,742,829	$ 1,201,916	$ 1,619,429	$ 2,225,985	$ 2,958,820	$ 4,096,824
Cost of sales and operating expenses	(1,269,617)	(1,622,279)	(1,196,826)	(1,713,315)	(2,079,763)	(2,651,076)	(3,796,322)
Net Revenues of DHC Buildings	$ (95,458)	$ 120,550	$ 5,090	$ (93,886)	$ 146,222	$ 307,744	$ 300,502
Income from Other Sources							
Student Union Fee	$ 428,087 [4]	$ 443,951	$ 476,873	$ 504,596	$ 527,488	$ 580,305	$ 598,873
Student Wellness & Recreation Center Fee	400,468	415,309	446,107	472,042	493,457	542,866	238,243
Interest Income	358	880	3,881	4,909	2,504	1,418	871
Total Funds Pledged for Debt Service	$ 733,455	$ 980,690	$ 931,951	$ 887,661	$ 1,169,671	$ 1,432,333	$ 1,138,489
Transfer to pay Parity Debt Service	(527,197) [5]	(1,070,971)	(1,061,962)	(1,081,456)	(1,105,071)	(1,069,139)	(823,639)
Excess Revenue	$ 206,258	$ (90,281)	$ (130,011)	$ (193,795)	$ 64,600	$ 363,194	$ 314,850
Capital Expenditures	-	-	-	-	(260,373)	(19,990)	(615,107)
Net Change in DHC Fund Balances	$ 206,258	$ (90,281)	$ (130,011)	$ (193,795)	$ (195,773)	$ 343,204	$ (300,257)
DHC Fund Balances Beginning of Year	4,124,926 [6]	4,215,207	4,345,218	4,539,013	4,734,786	4,391,582	4,691,839
DHC Fund Balances End of Year	**$ 4,331,184**	**$ 4,124,926**	**$ 4,215,207**	**$ 4,345,218**	**$ 4,539,013**	**$ 4,734,786**	**$ 4,391,582**

Footnotes

(1) The College's Audited Financial Statements for FY 2022 include a Schedule of Funds Provided and Required for Debt Service. The Commission has included additional detail in this table to enable comparison to prior years.

(2) Revenue for Sales & Rentals match amount shown in the FY 2022 Schedule of Funds Provided and Required for Debt Service and include revenues of the Student Union Building.

(3) Dormitory revenues shown for FY 2022 are the amount transferred for debt service on the Series 2012 Bonds.

(4) Actual Student Union Fee revenue for FY 2022. The FY 2022 Schedule of Funds Provided and Required for Debt Service shows $828,555 and included transfers from the Student Services Fund and the Dormitory revenue from the Auxiliary Enterprise Fund.

(5) Amount shown is the combined transfers from the Auxiliary Enterprise Fund and the Student Services Fund to pay Parity Debt Service on outstanding Bonds and may not match actual Parity Debt Service with any difference being funded by balances available in the Debt Service Fund.

(6) DHC Fund Balances include balances in the Auxiliary Enterprise Fund and the Student Services Fund. Balances in the Debt Service Fund are not included.

Source: Audited Financial Reports and the Commission

North Idaho College - Historical Student Stats
(Fiscal Years)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
HEADCOUNT										
Fall Headcount	4,581	4,741	5,078	5,275	5,391	5,346	5,546	5,779	6,049	6,574
Fall FTE Students	2,773	2,863	3,026	3,188	3,252	3,345	3,510	3,779	4,093	4,618
Academic	2,730	2,825	2,997	3,195	3,369	3,623	3,857	4,225	4,470	5,073
Technical	542	612	602	664	695	789	831	810	884	823
Other (Dual Enrollment -- High School Students)	1,309	1,304	1,479	1,416	1,327	934	858	744	695	678
Average Class Size	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	17
Average Age	24	24	24	24	24	n/a	n/a	n/a	n/a	27
STUDENT DEMOGRAPHICS										
Residency										
Idaho:	3,985	4,189	4,529	4,725	4,814	4,754	4,920	5,100	5,350	5,877
Kootenai County	3,025	3,182	3,408	3,542	3,568	3,453	3,578	3,750	3,966	4,448
Benewah County	113	118	116	148	124	126	141	157	169	157
Bonner County	328	385	412	433	458	521	548	566	616	637
Boundary County	123	126	151	163	184	170	185	175	182	185
Shoshone County	127	130	170	164	162	199	212	204	201	211
All Other Idaho Counties	270	248	272	275	318	285	256	248	216	239
Montana	50	40	40	48	45	49	62	65	81	94
Washington	294	274	269	269	275	285	312	350	363	358
All Other States	252	278	240	233	257	189	252	264	255	245
Age Group										
19 Years or Younger	2,360	2,345	2,581	2,669	2,575	2,215	2,171	2,090	2,016	2,080
20-24 Years	979	1,057	1,134	1,057	1,179	1,286	1,384	1,425	1,489	1,697
25-39 Years	918	999	976	1,085	1,139	1,288	1,324	1,533	1,701	1,903
40-49 Years	163	175	192	232	259	289	357	384	473	547
50-59 Years	72	71	76	104	116	131	171	211	242	223
60 Years and Older	89	94	119	128	123	137	139	136	128	124
Gender										
Male	1,757	1,754	1,930	2,057	2,156	2,138	2,107	2,312	2,420	2,641
Female	2,824	2,987	3,148	3,218	3,235	3,208	3,439	3,467	3,629	3,933
Financial Aid										
Students Receiving Aid	3,790	2,867	2,885	3,012	3,182	3,468	3,925	4,414	5,067	5,490
Total Money Disbursed ($ millions)	13.4	14.3	14.4	14.9	16.4	18.4	22.3	25.6	37.4	39.3
Degrees Conferred										
Associate of Arts Degrees	734	740	681	687	690	746	676	689	66	78
Associate of Science Degrees									560	468
Associate of Applied Science Degrees									117	86
Certificates of Completion	735	657	678	655	504	335	289	309	340	407
GED Graduates	197	231	226	239	247	145	188	608	456	493
NIC Foundation and Development										
Scholarship Endowments, beginning of year	$ 27,722,929	$ 21,429,561	$ 21,232,341	$ 20,012,980	$ 18,213,486	$ 16,152,484	$ 16,711,867	$ 16,515,870	$ 12,195,023	$ 10,724,427
General Scholarship and Designated Funds, beginning of year	4,521,503	5,338,361	6,086,028	5,811,853	4,586,510	4,099,394	1,494,721	1,586,230	4,495,188	4,143,409
Unrestricted Funds, beginning of year	9,781,028	6,145,943	5,420,670	4,973,243	4,520,600	3,912,038	3,977,150	3,768,527	2,286,547	1,840,634
Land, Buildings, Other Assets, beginning of year	374,941	1,286,511	765,130	583,550	632,378	684,530	547,245	540,395	517,567	469,143
Total Assets, beginning of year (audited)	$ 42,400,401	$ 34,200,376	$ 33,504,169	$ 31,381,626	$ 27,952,974	$ 24,848,446	$ 22,730,983	$ 22,411,022	$ 19,494,325	$ 17,177,613
Scholarships Disbursed:										
Number of Scholarships	1,027	993	992	974	943	871	1,104	969	822	791
Amount of Scholarships	$ 1,173,273	$ 1,137,418	$ 986,280	$ 934,009	$ 887,872	$ 903,024	$ 944,857	$ 896,658	$ 870,851	$ 704,237
Alumni Association:										
Number of Members	3,632	3,610	3,517	3,443	3,359	3,341	3,307	3,056	2,987	2,800
Number of Scholarships Funded						n/a	n/a	n/a	n/a	6
Amount of Scholarships Funded						n/a	n/a	n/a	n/a	$ 4,000
External Grants Received by NIC, excluding professional- technical workforce training, ABE, GED, PELL or financial aid, grants or appropriations	$ 1,722,838	$ 678,856	$ 1,200,055	$ 635,355	$ 2,018,466	$ 515,886	$ 6,781,143	$ 3,796,594	$ 4,041,081	$ 1,761,654

		Amount
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances	$	8,192,842
Auxiliary enterprises revenue		1,174,160
State and local grants and contracts		1,770,932
Federal grants and contracts		1,533,319
Other operating revenues		3,966,809
Total operating revenues		16,638,062
NON-OPERATING REVENUES		
State appropriations		19,040,800
Property taxes		18,893,657
Non operating state and federal grants		16,170,972
Non operating other income		560,385
Private gifts, grants and contracts		1,928,703
Investment income		72,423
Interest expense		(263,322)
Loss on disposal of fixed assets		(10,483)
Total non-operating revenues		56,393,135
Change in net position		5,650,707
Net position, beginning of year		96,625,218
TOTAL RESOURCES	$	102,275,925

Fiscal year 2022 Full-Time Student Fee (12 Credit Hours per Semester)
Tuition and Fees 2021-2022

12-18 Credits Per Semester	Per Credit	12 Credit FTE
Kootenai County Residents	$ 142	$ 1,698
Other Idaho Residents	207	2,480
Washington Residents	246	2,952
Western Undergraduate Exchange	287	3,444
Out-of-State/Out-of-Country	364	4,368

Fiscal year 2022 Full-Time Student Fee (12 Credit Hours per Semester)

Associated Student Body	$ 28
Athletics	36
Commencement	4
Health Services	31
Instructional Technology	123
Learning Assistance	40
Student Activities and Recreation	38
Student union Fee (1)	180
Total Resident Fee	$ 480
Resident Tuition	1,218
Total Resident Fee and Tuition	$ 1,698
Total Non-District	$ 2,480
Total Washington Residents	2,952
Total Western Undergraduate Exchange	3,444
Total Non-Resident Fee and Tuition	4,368

(1) The Student Union Fee is included in the Pledged Revenues.
Source: North Idaho College, Tuition and Fees for 2020-2021.

Tax Year		Taxable Assessed Value (TAV)	Tax Levy (per $100 TAV)		Total Assessed Property Taxes
2021	$	26,716,188,333	0.000649505	$	17,352,298
2020		22,628,319,580	0.000746593		16,894,145
2019		20,062,998,765	0.000797070		15,991,614
2018		17,280,370,464	0.000885380		15,299,694
2017		15,296,356,440	0.000981595		15,014,827
2016		14,014,269,046	0.001039593		14,569,136
2015		13,094,316,945	0.001098933		14,389,777
2014		12,359,983,215	0.001123854		13,890,817
2013		11,472,122,065	0.001201451		13,783,193
2012		11,200,581,030	0.001220307		13,668,147
2011		12,057,168,912	0.001108407		13,364,250
2010		12,927,862,542	0.000998173		12,904,243

Single Audit Section
June 30, 2022

North Idaho College

CPAs & BUSINESS ADVISORS

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
North Idaho College
Coeur d'Alene, 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 North Idaho College (the College) as of and for the year ended June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2022. Our report includes a reference to other auditors who audited the financial statements of the North Idaho College Foundation, Inc., as described in our report on the College's financial statements. The audits of the financial statements of North Idaho College Foundation, Inc. were not performed 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 North Idaho College Foundation, Inc.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College'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
December 15, 2022

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

To the Board of Trustees
North Idaho College
Coeur d'Alene, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited North Idaho College's (the College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2022. 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.

In our opinion, the College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the College's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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
December 15, 2022

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Direct Programs			
Head Start Cluster:			
Head Start	93.600		$ 3,337,828
COVID-19 Head Start	93.600		430,636
Total Head Start Cluster			3,768,464
TANF Cluster:			
Temporary Assistance for Needy Families	93.558		197,144
Subtotal Department of Health and Human Services Direct Programs			3,965,608
Pass-Through Programs			
State of Idaho Commission on Aging:			
Aging Cluster:			
Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers	93.044	826000936 13	294,506
COVID-19 Title III-B	93.044	826000936 13	159,509
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	826000936 13	737,563
COVID-19 Title III-C	93.045	826000936 13	195,341
Nutrition Services Incentive Program	93.053	826000936 13	106,186
Total Aging Cluster			1,493,105
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	826000936 13	19,820
			19,820
Special Programs for the Aging Title III Part F Disease Prevention Health Promotion Services	93.043	826000936 13	52,051
National Family Caregiver Support, Title III, Part E	93.052	826000936 13	170,364
COVID-19 Aging III-E	93.052	826000936 13	8,181
			178,545
Medicare Enrollment Assistance Program	93.071	826000936 13	13,668
Lifespan Respite	93.072	826000936 13	34,198
Alzheimer's Disease Demonstration Grants - Options Counseling	93.051	826000936 13	3,473
Elder Abuse Prevention Interventions Program	93.747	826000936 13	16,328
State Medicaid Fraud Control Units (Senior Medicare Patrol)	93.048	826000936 13	25,104
Idaho Department of Health & Welfare:			
Preventive Health and Health Services Block Grant	93.991	HC1101100	6,621
University of Idaho:			
Research and Development Cluster			
Idaho INBRE-4 Network - TWDD	93.859	SI3394-SB-825964	50,175
Idaho INBRE-4 Network - TWDD	93.859	SI3394-SB-825926	35,086
Idaho INBRE-4 Pilot Project - Foster	93.859	SI3394-SB-825963	55,816
Idaho INBRE-4 Pilot Project - Foster	93.859	SI3394-SB-825935	19,535
Total Idaho INBRE			160,612
Subtotal Department of Health and Human Services Pass-Through Programs			2,003,525
Total Department of Health and Human Services			5,969,133

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Commerce Economic Development Administration			
Direct Programs:			
Economic Development Cluster:			
Investment for Public Works and Economic Development Facilities	11.300		$ 235,584
Office of Innovation and Entrepreneurship Regional Innovation Strategies Program	11.020		123,207
Total Department of Commmerce and Economic Development Administration			358,791
Department of Education:			
Direct Programs:			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007		199,214
Federal Work-Study Program	84.033		63,495
Federal Pell Grant Program	84.063		4,661,446
Federal Direct Student Loans	84.268		3,664,047
Total Student Financial Assistance Cluster			8,588,202
TRIO Cluster			
TRIO - Student Support Services	84.042A		261,288
Education Stabilization Fund			
COVID-19 Higher Education Emergency Relief Fund - Student Share	84.425e		2,314,201
COVID-19 Higher Education Emergency Relief Fund - Institutional Share	84.425f		1,304,247
COVID-19 Higher Education Emergency Relief Fund - SIP	84.425m		88,796
Pass-Through Programs:			
State of Idaho Department of Education			
COVID-19 Governor's Emergency Education Relief	84.425c	None	94,850
Total Education Stabilization Fund			3,802,094
State of Idaho Professional-Technical Education			
Adult Education - Basic Grants to States	84.002A	RG1614L1	226,564
Adult Education - Basic Grants to States	84.002A	RG1614M1	20,560
Adult Education - Basic Grants to States	84.002A	AL9614B1	21,422
Total Adult Education - Basic Grants to States			268,546
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E1	234,884
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E2	32,547
Career and Technical Education - Basic Grants to States	84.048A	RG1614W0	10,000
Career and Technical Education - Basic Grants to States	84.048A	20V048-90	69,213
Total Career and Technical Education - Basic Grants to States			346,644
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	826000936 01	8,439
Total Department of Education			13,275,213

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Labor Employment Training Administration:			
Pass-Though Programs:			
State of Idaho Department of Labor:			
Apprenticeship: Closing the Skills Gap	17.268	None	$ 34,896
Job Corps Program	17.287	None	286,948
Direct Programs:			
Department of Labor Mine Safety and Helath Administration:			
Mine Health and Safety Grants	17.600		142,238
Total Department of Labor Employment Training Administration			464,082
Department of Housing and Urban Development:			
Pass-Through Programs			
City of Coeur d'Alene:			
CDBG-Entitlement Grants Cluster			
Community Development Block Grants/Entitlement Grant	14.218	MS270431555R16	51,970
Total Department of Defense			51,970
Department of Agriculture Food and Nutrition Service:			
Pass-Through Programs			
State of Idaho Superintendent of Public Instruction:			
Child and Adult Care Food Program	10.558	826000936 06	173,975
SNAP Cluster			
Supplemental Nutrition Assistance	10.551	WC089400	53,757
Total Department of Agriculture Food and Nutrition Service			227,732
Department of Defense:			
Pass-Through Programs			
Boise State University:			
Procurement Technical Assistance Center (PTAC) 2020	12.002	8580-PO134957	23,057
Univeristy of Seattle:			
Cybersecurity High School Innovation	12.905	None	2,051
Total Department of Defense			25,108
Small Business Administration			
Pass-Through Programs			
Boise State University:			
Small Business Development Centers	59.037	7982-E	107,192
Small Business Development Centers COVID-19	59.037	9405-PO137295	61,914
Total Small Business Administration			169,106
Total expenditures of federal awards			$ 20,541,135

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the North Idaho College (the College) under programs of the federal government for the year ended June 30, 2022. 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 North Idaho College, it is not intended to and does not present the financial position, changes in net position, or cash flows of North Idaho College.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, 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 minimis 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	None Reported
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:	No

Identification of major programs:

Name of Federal Program	CFDA Number
Education Stabilization Fund	84.425e, 84.425f, 84.425c, 84.425m
Aging Cluster	93.044, 93.045, 93.053

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Findings – Financial Statement Audit

There were no findings relating to the financial statement audit.

Section III -Findings and Questioned Costs – Major Federal Award Programs Audit

No findings noted.