Financial Statements
June 30, 2023

North Idaho College

Introductory Section
June 30, 2023

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 5,700 students are enrolled in credit classes and more than 4,150 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 main campus is located in Coeur d'Alene, Idaho, a lakeside city with a growing population of 58,000 residents. Metropolitan amenities are close by with Spokane, Washington, a city of over 230,000 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, 2023

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, 2023, 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, 2023, 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 15 to the financial statements, the College has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, for the year ended June 30, 2023. Accordingly, a restatement has been made to the net position as of July 1, 2022, 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 28, 2023, 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

Spokane, Washington
December 28, 2023

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, 2023. 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 statement of net position, the statement of revenues, expenses, and changes in net position and the statement 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 2023, the operating loss was $56.7 million. Non-operating revenues increased to $60.6 million in 2023, resulting in a change in net position of $3.9 million in 2023.

During 2023, 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, 2023, 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, 2023 and 2022

	2023	2022*
Current and other assets	$ 46,424,349	$ 45,919,277
Capital and right-to-use assets	85,130,483	79,913,865
Total assets	131,554,832	125,833,142
Deferred Outflows of Resources	8,196,968	5,528,788
Current liabilities	7,155,114	6,697,638
Long-term liabilities outstanding	24,049,875	13,630,647
Total liabilities	31,204,989	20,328,285
Deferred Inflows of Resources	2,362,919	8,757,720
Net position		
Net investment in capital assets	74,511,994	71,391,699
Restricted	7,815,931	7,372,417
Unrestricted	23,855,967	23,511,809
Total net position	$ 106,183,892	$ 102,275,925

* The 2022 column has not been restated to include the implementation of GASB 96

The College's total assets increased during the fiscal year 2023 by $5.7 million. In 2023, the increase was driven primarily by $5.2 million in capital and right-to-use assets. Total liabilities increased during 2023 by $10.9 million, driven primarily by an increase in net pension and OPEB liabilities relating to GASB 68 and GASB 75 of $9.1 million. Additionally, the implementation of GASB 96 resulted in an additional $2.0 million of subscription liabilities.

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.

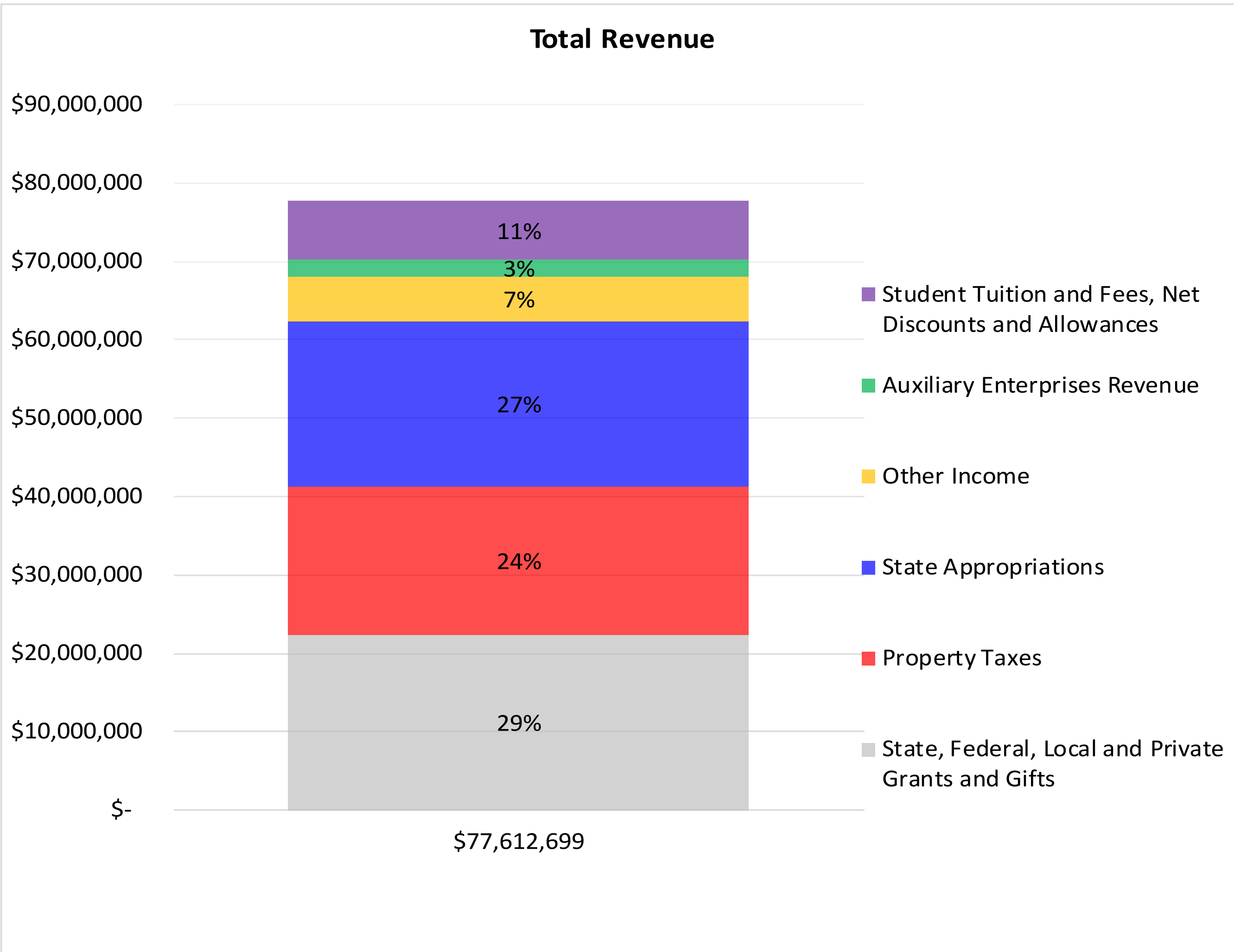
Generally, operating revenues are generated by providing services to various customers, students and constituencies of the College, including but not limited to student tuition and fees, auxiliary enterprises, and federal and state grants. Operating expenses are those expenses paid to acquire or produce 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, 2023 and 2022

	2023	2022*
Operating Revenues		
Student tuition and fees, net	$ 7,457,283	$ 8,192,842
Auxiliary enterprises revenue	2,106,890	1,174,160
State and local grants and contracts	1,246,433	1,770,932
Federal grants and contracts	1,266,190	1,533,319
Other operating revenues	4,555,880	3,966,809
Total operating revenues	16,632,676	16,638,062
Operating Expenses	73,328,112	67,380,490
Operating Loss	(56,695,436)	(50,742,428)
Non-Operating Revenues (Expenses)		
State appropriations	21,038,100	19,040,800
Property taxes	18,962,119	18,893,657
Non-operating state and federal grants	15,989,534	16,170,972
Non-operating other income	459,593	560,385
Private gifts, grants, and contracts	3,335,088	1,928,703
Investment income	1,195,589	72,423
Interest expense	(348,656)	(263,322)
Loss on disposal of capital assets	(27,964)	(10,483)
Total non-operating revenues	60,603,403	56,393,135
Change in Net Position	3,907,967	5,650,707
Net Position, Beginning of Year	102,275,925	96,625,218
Net Position, End of Year	$ 106,183,892	$ 102,275,925

* The 2022 column has not been restated to include the implementation of GASB 96

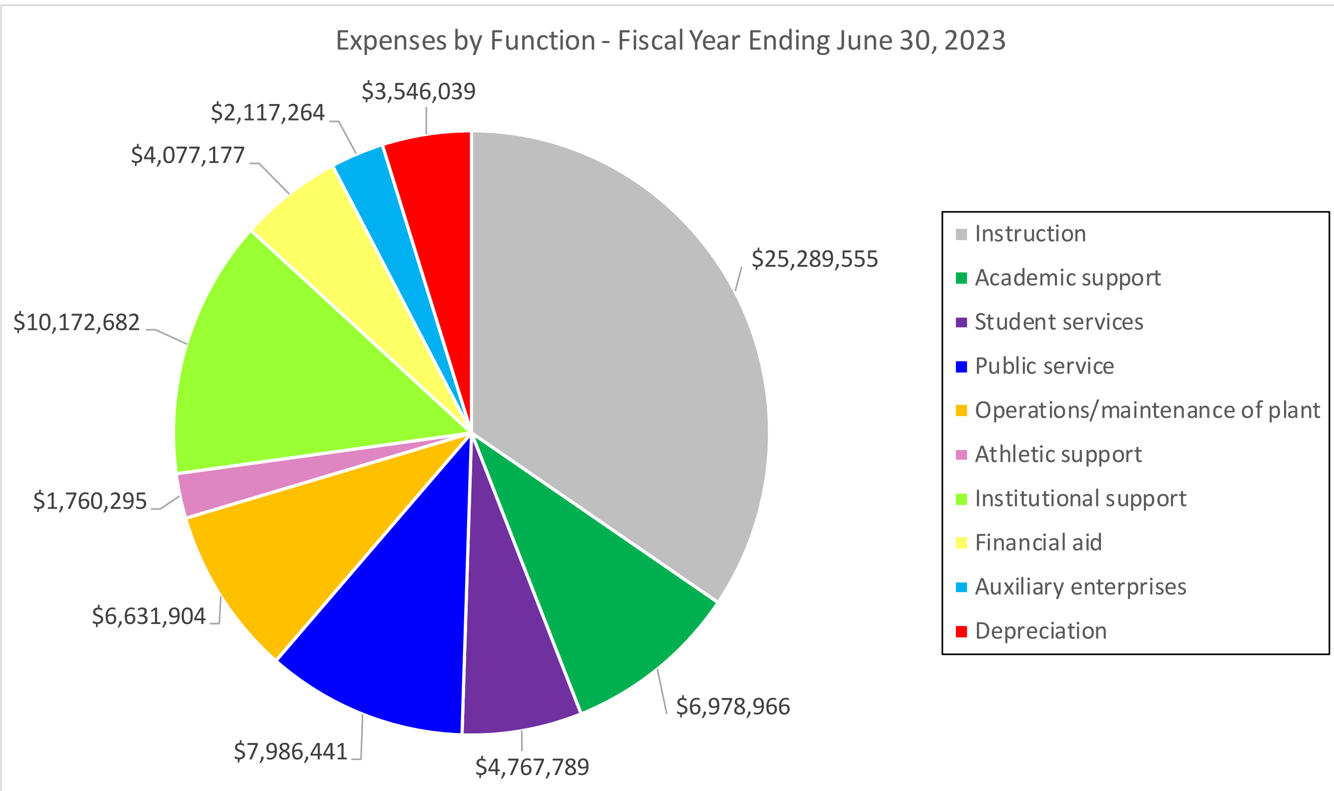
The Statements of Revenues, Expenses and Changes in Net Position reflects an overall increase in net position of $3.9 million during the fiscal year 2023. Operating revenues for the period decreased by approximately $5,000, while operating expenses increased by $5.9 million, year over year. The decrease in operating revenue was largely related to state tuition and fees and various state and federal grants. Non-Operating revenues (expenses) for the same period increased by $4.2 million due primarily to an increase in State appropriations of $2 million, private gifts, grants, and contracts of $1.4 million, and investment income of $1.1 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 2023 were $12.8 million, and allowances against those tuition and fees were $5.4 million. The scholarship allowance in 2023 was 42% 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, 2023 is as follows:



Instruction and academic support account for 44% of the total operating expense of the College.

Capital and Right-to-use Assets

	2023	2022*
Capital and Right-to-use Assets		
Land and construction in progress	$ 17,362,526	$ 24,807,698
Ground improvements	6,198,087	6,198,087
Buildings	98,536,301	85,803,637
Furniture and equipment	17,265,104	16,423,588
Infrastructure	7,472,694	7,472,694
Right-to-use assets	4,066,014	749,170
Total capital assets	150,900,726	141,454,874
Less accumulated depreciation and amortization	65,770,243	61,541,009
Net Capital Assets	$ 85,130,483	$ 79,913,865

* The 2022 column has not been restated to include the implementation of GASB 96

At the end of 2023, the College had $85.1 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 $7.2 million in capital assets during 2023. The change from 2022 to 2023 also included $2.0 million of right-to-use assets due to the implementation of GASB 96. 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, 2023, the College had $7,660,000 in debt outstanding from the construction of a Student Wellness and Recreation Center. See Note 7 for additional information on debt.

Additionally, as of June 30, 2023, the College had $2.7 million in subscription and lease liabilities relating to right-to-use assets under GASB 87 and 96. See Notes 5 and 6 for additional information on these liabilities.

Economic Outlook

During the fiscal year 2023, the College completed the construction of the $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. These buildings opened for classes in Fall 2022.

The college remains financially strong, as evidenced by its strong net position and cash balance. Fiscal year 2023 resulted in an increase of almost $4 million in net position. The increase in interest rates and considerable cash balance resulted in significantly higher than expected interest income. Salary savings related to employee turnover as well as judicious oversight of expenditures also contributed to the positive net position.

On February 9, 2023, the Northwest Commission on Colleges and Universities sent a letter to the college stating that they have imposed a sanction of show cause. This sanction required an on-site peer review visit which occurred in mid-April, 2023. This visit and subsequent action by the commission resulted in a continuation of the sanction of show cause with on-site peer review visits in both the Fall of 2023 and the Spring of 2024. The Fall visit occurred at the end of October 2023. The College continues to work through the steps necessary to return to good standing.

Management continues to maintain a close watch over resources and expenses to ensure that the College's finances are sustainable and adequate to meet its mission and ensure the 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, 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	$ 31,780,846
Tuition and fees receivable, net of allowance for uncollectible amounts of $464,008	92,084
Property tax receivable	6,030,098
Other accounts receivable	3,383,583
Prepaid supplies and expenses	291,027
Total current assets	41,577,638
Non-Current Assets	
Restricted cash and cash equivalents	1,197,314
Restricted deposits held by bond trustee	511,450
PERSI Sick Leave	3,137,947
Right-to-use asset leased assets, less accumulated amortization	674,246
Right-to-use subscription IT assets, less accumulated amortization	2,158,074
Non-depreciable capital assets	17,362,526
Depreciable capital assets less accumulated depreciation	64,935,637
Total non-current assets	89,977,194
Total assets	131,554,832
Deferred Outflows of Resources	
Pension obligation	6,539,332
PERSI Sick Leave	832,202
OPEB obligation	825,434
Total deferred outflow of resources	8,196,968
Total Assets and Deferred Outflow of Resources	$ 139,751,800

Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Accounts payable	$ 1,340,683
Accrued salaries and benefits	3,262,293
Other accrued liabilities	716,641
Unearned tuition and fees revenue	235,977
Deposits held in custody for others	99,484
Interest payable	88,597
Long-term liabilities, current portion	1,411,439
Total current liabilities	7,155,114
Non-Current Liabilities	
Lease liability, less current portion	429,411
Subscription liability, less current portion	1,289,336
Revenue bonds, less current portion	7,666,282
Compensated absences, less current portion	1,008,548
Net pension liability	10,405,083
Total obligation for other post-employment benefits	3,251,215
Total non-current liabilities	24,049,875
Total liabilities	31,204,989
Deferred Inflows of Resources	
Pension obligation	444,124
PERSI Sick Leave	417,791
OPEB obligation	1,501,004
Total deferred inflow of resources	2,362,919
Net Position	
Net investment in capital assets	74,511,994
Restricted for:	
Capital projects and debt service	4,263,573
PERSI Sick Leave	3,552,358
Unrestricted	23,855,967
Total net position	106,183,892
Total Liabilities, Deferred Inflow of Resources, and Net Position	$ 139,751,800

Revenues	
Operating revenues	
Student tuition and fees, net of scholarship allowances of $5,381,397	$ 7,457,283
Auxiliary enterprises revenue	2,106,890
State and local grants and contracts	1,246,433
Federal grants and contracts	1,266,190
Other operating revenues	4,555,880
Total operating revenues	16,632,676
Expenses	
Operating expenses	
Instruction	25,289,555
Academic support	6,978,966
Student services	4,767,789
Public service	7,986,441
Operations and maintenance of plant	6,631,904
Athletic support	1,760,295
Institutional support	10,172,682
Financial aid	4,077,177
Auxiliary enterprises	2,117,264
Depreciation	3,546,039
Total operating expenses	73,328,112
Operating Loss	(56,695,436)
Non-Operating Revenues (Expenses)	
State appropriations	21,038,100
Property taxes	18,962,119
State grants and contracts	1,313,744
Federal grants and contracts	14,675,790
Other income	459,593
Private gifts, grants, and contracts	3,335,088
Interest income	1,195,589
Interest expense	(348,656)
Loss on disposal of capital assets	(27,964)
Total non-operating revenues	60,603,403
Change in Net Position	3,907,967
Net Position, Beginning of Year	102,275,925
Net Position, End of Year	$ 106,183,892

Operating Activities	
Tuition and fees	$ 7,394,458
Payments to suppliers	(21,092,154)
Payments to employees	(43,310,769)
Payments for financial aid	(4,077,177)
Auxiliary enterprise charges	2,106,890
Federal, state, and local grants and contracts	2,512,623
Other revenue	6,948,459
Net Cash used for Operating Activities	(49,517,670)
Noncapital Financing Activities	
Local property taxes	18,650,406
State appropriations	21,038,100
Grants and contracts	19,784,215
Net Cash from Noncapital Financing Activities	59,472,721
Capital and Related Financing Activities	
Purchase of capital assets	(5,848,177)
Principal paid on lease liability	(297,682)
Principal paid on subscription liability	(877,333)
Principal paid on capital debt	(220,000)
Interest paid on capital debt	(316,868)
Net Cash used for Capital and Related Financing Activities	(7,560,060)
Investing Activities	
Interest on cash deposits	1,195,589
Net Cash from Investing Activities	1,195,589
Net Change in Cash, Restricted Cash, and Cash Equivalents	3,590,580
Cash, Restricted Cash, and Cash Equivalents, Beginning of Year	29,899,030
Cash, Restricted Cash, and Cash Equivalents, End of Year	$ 33,489,610

Reconciliation of Operating Loss to Net Cash used for Operating Activities	
Operating loss	$ (56,695,436)
Adjustments to reconcile operating loss to net cash used for operating activities	
Depreciation and amortization	4,608,298
GASB 68 - Actuarial pension revenue	1,142,127
Change in PERSI Sick Leave	(62,057)
Change in OPEB obligation	41,058
Changes in assets and liabilities	
Receivables, net	2,387,816
Prepaid supplies and expenses	(106,378)
Accounts payable	(1,496,168)
Accrued salaries and benefits	179,633
Other accrued liabilities	508,984
Unearned tuition and fees revenue	(58,062)
Deposits held in custody for others	(61,360)
Compensated absences	93,875
Net Cash used for Operating Activities	$ (49,517,670)
Supplemental Disclosure of Noncash Activity	
Amortization of premium of refunding	$ 10,166
Capital assets acquired from accounts payable	503,199
Lease liability for the acquisition of a right-to-use leased asset	593,384
Subscription liability for the acquisition of a right-to-use subscription asset	810,699
Reconciliation of Cash, Restricted Cash, and Cash Equivalents	
Cash and cash equivalents	$ 31,780,846
Restricted cash and cash equivalents	1,197,314
Restricted deposits held by bond trustee	511,450
Total cash, restricted cash, and cash equivalents	$ 33,489,610

Assets	
Current Assets	
Cash and cash equivalents	$ 3,222,222
Contributions receivable, net	2,000
Cash surrender value of life insurance	67,600
Other assets	448,383
Total current assets	3,740,205
Noncurrent Assets	
Noncurrent contributions receivable, net	3,283
Investments	37,121,473
	$ 40,864,961
Liabilities and Net Assets	
Current Liabilities	
Accounts and other payables	$ 66,180
Deferred revenue	750,000
Total current liabilities	816,180
Net Assets	
Without donor restrictions	
Designated by the Board for endowment purposes	7,766,521
Undesignated revenue from raffle fund-raiser	238,775
Undesignated	2,456,700
Total without donor restrictions	10,461,996
With donor restrictions	
Unappropriated endowment earnings	10,733,486
Nonendowment, with donor restrictions	3,766,411
Perpetuity	15,086,888
Total with donor restrictions	29,586,785
Total net assets	40,048,781
	$ 40,864,961

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Support			
Raffle ticket sales	$ 750,000	$ -	$ 750,000
Contributions financial assets	190,500	448,819	639,319
Contributions nonfinancial assets	34,279	-	34,279
Investment income	51,795	168,894	220,689
Net gain on investments	1,078,230	3,516,030	4,594,260
Net assets released from restrictions			
Satisfaction of program restrictions	1,550,002	(1,550,002)	-
Total revenues, gains, and support	3,654,806	2,583,741	6,238,547
Expenses			
Program services	1,641,753	-	1,641,753
Supporting services			
General and administrative	235,226	-	235,226
Fund-raising	714,616	-	714,616
Total expenses	2,591,595	-	2,591,595
Change in Net Assets	1,063,211	2,583,741	3,646,952
Net Assets, Beginning of Year	9,398,785	27,003,044	36,401,829
Net Assets, End of Year	$ 10,461,996	$ 29,586,785	$ 40,048,781

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 5,700 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 4,150 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, 2023, 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, 2023, 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 2018 through 2022 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.

Right-to-use subscription IT assets are recognized at the subscription commencement date and represent the College's right to use the underlying IT asset for the subscription term. Right-to-use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right-to-use subscription IT assets are amortized over the shorter of the subscription term or useful live of the underlying asset using the straight-line method or 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, 2023, 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.

Subscription liabilities represent the College's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of future subscription payments expected to be made during the subscription term. The present value of subscription 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 $10,180,000 as of June 30, 2023, 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, 2023.

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. 96

As of July 1, 2021, the College adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset -an intangible asset - and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as 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 15 and the additional disclosures required by this standard are included in Notes 3 and 6.

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, 2023, the College’s cash, cash equivalents and investments consisted of the following:

	Bank Balance	Carrying Amount
Cash and cash equivalents		
Bank deposit	$ 3,150,850	$ 2,914,587
Local Government Investment Pool	28,606,334	28,600,919
Money market	274,293	265,340
Restricted cash		
Bank deposit	1,210,107	1,197,314
Bond account - money market	526,861	511,450

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, 2023, $4,412,000 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, 2023.

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, 2023 consist of the following:

	Balance 7/1/2022	Additions	Transfers	Retirements	Balance 6/30/2023
Capital assets, not being depreciated					
Land	$ 16,816,025	$ 546,501	$ -	$ -	$ 17,362,526
Construction in progress	7,991,673	-	(7,991,673)	-	-
Total capital assets not being depreciated	24,807,698	546,501	(7,991,673)	-	17,362,526
Capital assets, being depreciated					
Grounds improvements	6,198,087	-	-	-	6,198,087
Buildings	85,803,637	4,740,991	7,991,673	-	98,536,301
Furniture and equipment	16,423,588	1,063,884	-	(222,368)	17,265,104
Infrastructure	7,472,694	-	-	-	7,472,694
Total capital assets being depreciated	115,898,006	5,804,875	7,991,673	(222,368)	129,472,186
Less accumulated depreciation					
Grounds improvements	3,343,048	242,131	-	-	3,585,179
Buildings	39,128,725	2,283,943	-	-	41,412,668
Furniture and equipment	12,596,559	906,245	-	(194,404)	13,308,400
Infrastructure	6,116,582	113,720	-	-	6,230,302
Total accumulated depreciation	61,184,914	3,546,039	-	(194,404)	64,536,549
Capital assets being depreciated, net	54,713,092	2,258,836	7,991,673	(27,964)	64,935,637
Total capital assets, net	$ 79,520,790	$ 2,805,337	$ -	$ (27,964)	$ 82,298,163

Right-to-use lease assets at June 30, 2023 consist of the following:

	Balance 7/1/2022	Additions	Retirements	6/30/2023
Right-to-use assets				
Copiers - leases	$ 121,227	$ 42,773	$ -	$ 164,000
Buildings - leases	443,283	550,611	-	993,894
Total right-to-use assets	564,510	593,384	-	1,157,894
Less accumulated amortization				
Copiers - leases	52,332	64,806	-	117,138
Buildings - leases	119,103	247,407	-	366,510
Total accumulated amortization	171,435	312,213	-	483,648
Right-to-use assets, net	$ 393,075	$ 281,171	$ -	$ 674,246

Lease amortization expense for the year ended June 30, 2023 was charged to the following functions:

Instruction	$	223,947
Academic support		29,471
Public service		58,795
	$	312,213

Right-to-use subscription IT assets at June 30, 2023 consist of the following:

	Balance as restated 7/1/2022	Additions	Retirements	Balance 6/30/2023
Right-to-use subscription IT assets				
Subscription IT - assets	$ 2,097,421	$ 810,699	$ -	$ 2,908,120
Less accumulated amortization	-	750,046	-	750,046
Right-to-use assets, net	$ 2,097,421	$ 60,653	$ -	$ 2,158,074

Subscription IT amortization expense for the year ended June 30, 2023 was charged to the following functions:

Instruction	$	52,887
Academic support		580,284
Student services		115,395
Operations and maintenance of plant		1,480
	$	750,046

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 three master copier and equipment leases for 60 months, terminating in July 2023, September 2024, and July 2027. Under the terms of the leases, the College pays a total monthly base fee of $5,780. 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.

The College has entered into an agreement for the right-to-use for two spaces with 515 Pine Street, LLC in Sandpoint, ID. The leases terminate in June 2027 and September 2027. Under the terms of the leases, the College pays a total monthly base fee of $9,788, adjusted annually based on the increase in the Consumer Price Index.

At June 30, 2023, the College has recognized a right-to-use assets of $674,246, net of accumulated amortization, and a lease liability of $696,420 related to four right-to-use assets. During the fiscal year, the College recorded $312,213 in amortization expense for the right-to-use assets. The College's interest rates used ranged from 2.54% - 3.50% for all of the assets.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Copier/equipment leases	$ 67,459	$ 42,773	$ (62,526)	$ 47,706	$ 19,057
Building leases	333,259	550,611	(235,156)	648,714	247,952
	$ 400,718	$ 593,384	$ (297,682)	$ 696,420	$ 267,009

Future payments on the lease agreements are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2024	$ 267,009	$ 16,399	$ 283,408
2025	178,761	9,500	188,261
2026	121,356	5,201	126,557
2027	124,608	1,949	126,557
2028	4,686	24	4,710
	$ 696,420	$ 33,073	$ 729,493

Note 6 - Subscription-Based Information Technology Arrangements (SBITAs)

The College has entered into various SBITA contracts for virtual conferencing software and management software. The College is required to make principal and interest payments ranging from $100 to $30,000 through September 2028. The SBITA contracts have interest rates between 1.85% and 3.45%. The interest rates used were the College's incremental borrowing rate at the time of adoption of the new standard or at inception of the SBITA.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Subscription IT liabilities	$ 2,097,421	$ 810,699	$ (877,333)	$ 2,030,787	$ 741,451

Future payments on the subscription IT agreements are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2024	$ 741,451	$ 51,568	$ 793,019
2025	572,648	35,433	608,081
2026	517,232	20,196	537,428
2027	159,153	6,313	165,466
2028	40,303	1,150	41,453
	$ 2,030,787	$ 114,660	$ 2,145,447

Note 7 - Long-Term Debt

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
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	255,000	243,306	498,306	4.00%
2029-2033	1,425,000	1,067,304	2,492,304	3.00% - 4.00%
2034-2038	1,675,000	822,840	2,497,840	3.00% - 3.125%
2039-2043	1,970,000	511,294	2,481,294	3.125% - 3.375%
2044-2046	1,400,000	86,025	1,486,025	3.375% - 4.50%
	$ 7,660,000	$ 3,785,969	$ 11,445,969	

Unamortized premium on the Series 2016 Revenue Bonds was $231,282 as of June 30, 2023. 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 $497,456. At June 30, 2023, $511,450 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 $800,595 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, 2023. The total debt service during the year ended June 30, 2023, was $419,138.

Changes in Long-Term Debt

Long-term liability activity for the year ended June 30, 2023, is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2016 Revenue bonds	$ 7,880,000	$ -	$ 220,000	$ 7,660,000	$ 225,000
Premium on bond issues	241,448	-	10,166	231,282	-
Compensated absences	1,092,652	359,647	265,772	1,186,527	177,979
Total long-term liabilities	$ 9,214,100	$ 359,647	$ 495,938	$ 9,077,809	$ 402,979

Note 8 - Pension Plan

Plan Description

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

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

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/fire fighters) 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, 2022 it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The College's contributions were $1,304,725 for the year ended June 30, 2023.

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

At June 30, 2023, 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, 2022, 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, 2023 and 2022, the College's proportion was .26417168% and .27565245%, respectively.

For the year ended June 30, 2023, the College recognized expense of $2,697,274. At June 30, 2023, 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	$ 1,144,179	$ 46,441
Differences between expected and actual investment earnings	2,394,087	-
Changes in actuarial assumptions	1,696,341	-
Net pension liability change in proportion	-	397,683
College's contributions subsequent to the measurement date	1,304,725	-
Total	$ 6,539,332	$ 444,124

The $1,304,725 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, 2021, the beginning of the measurement period ended June 30, 2022, 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,	
2024	$ 1,057,276
2025	1,226,177
2026	550,684
2027	1,956,346

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, 2023 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:

- Contributing Members, Service Retirement Members, and Beneficiaries
- General Employees and All Beneficiaries -
- Males Pub-2010 General Tables, increased 11%.
- General Employees and All Beneficiaries -
- Females Pub-2010 General Tables, increased 21%.
- Teachers - Males Pub-2010 Teacher Tables, increased 12%.
- Teachers - Females Pub-2010 Teacher Tables, increased 21%.

- Fire & Police - Males Pub-2010 Safety Tables, increased 21%.
- Fire & Police - Females Pub-2010 Safety Tables, increased 26%.
- 5% of Fire and Police active member deaths are assumed to be duty
- Disabled Members - Males Pub-2010 Disabled Tables, increased 38%.
- Disabled Members - Females Pub-2010 Disabled Tables, increased 36%.

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. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of PERSI's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

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, 2023, 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)	$ 18,363,953	$ 10,405,083	$ 3,890,954

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, 2023, 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 9 - 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, 2023.

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

At June 30, 2023, the College reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2022, 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, 2022 the College's proportion was 2.2181530%, which is unchanged from the 2021 proportionate share.

For the year ended June 30, 2023, the College recognized OPEB expense offset of $108,438. At June 30, 2023, 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	$ 80,144	$ 95,707
Differences between expected and actual investment earnings	426,442	-
Changes in actuarial assumptions	135,688	322,084
Net OPEB asset change in proportion	189,928	-
Total	$ 832,202	$ 417,791

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,	
2024	$ 65,025
2025	81,631
2026	61,525
2027	254,480
2028	(29,305)
Thereafter	(18,945)

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.

Asset Class	Target Allocation	Expected Real Rate of Return (Arithmetic)
Broad U.S. Equity	39.3%	8.53%
Global EX U.S. Equity	10.7%	9.09%
Fixed Income	50.0%	2.80%
Cash Equivalents	0.0%	2.25%

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, 2023, 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, 2023, 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)	$ (2,932,555)	$ (3,137,947)	$ (3,320,933)

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 10 - 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, 2023, 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, 2022. 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, 2023 are as follows:

Inflation	2.30%
Salary increases	3.05%
Discount rate	3.54%
Medical price index trend	0.00%-6.60%
Dental price index trend	1.60%-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, 2021 (Measurement Date)	$ 4,587,972
Changes for the year:	
Service cost	379,403
Interest on total OPEB liability	104,552
Effect of economic/demographic (gains) or losses	(583,799)
Effect of assumptions changes or inputs	(981,605)
Expected benefit payments	(255,308)
Balance at June 30, 2022 (Measurement Date)	$ 3,251,215

OPEB expense was $41,056 for the year ended June 30, 2023.

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

At June 30, 2023, 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	$ 229,803	$ 594,968
Changes in actuarial assumptions	409,676	906,036
College's contributions subsequent to the measurement date	185,955	-
Total	$ 825,434	$ 1,501,004

The $185,955 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,	
2024	$ (240,370)
2025	(134,564)
2026	(96,338)
2027	(131,225)
2028	(259,028)

Sensitivity Analysis

The following presents the total OPEB liability of the College as of June 30, 2023, calculated using the discount rate of 3.54%, 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 (1.54%) or 1 percentage point higher (3.54%) than the current rate.

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	$ 3,485,122	$ 3,251,215	$ 3,030,813

The following presents the total OPEB liability of the College June 30, 2023, 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	$ 2,949,326	$ 3,251,215	$ 3,605,290

Note 11 - 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 12 - 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 $1,641,753 for the year ended June 30, 2023. Expenses incurred by the College on behalf of the Foundation, such as payroll, benefits, and office supplies, are recorded as receivables and reimbursed in full by the Foundation. For the year ended June 30, 2023, this amount was $277,855. Amounts receivable from the Foundation as of June 30, 2023 was $57,679.

Note 13 - 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, 2023 is as follows:

Current Assets	$ 3,032,284
Capital Assets	20,576,359
Total Assets	$ 23,608,643
Current Liabilities	$ 69,665
Due to Other Funds	6,274,762
Noncurrent Liabilities	7,705,909
Total liabilities	14,050,336
Net Position	9,558,307
Total Liabilities and Net Position	$ 23,608,643

Condensed statements of activities for the year ended June 30, 2023 is as follows:

Operating Revenues	
Sales and rentals	$ 2,106,891
Interest income	51,786
Fee revenue	749,325
Total operating revenues	2,908,002
Building Expenses	2,099,671
Income from Operations	808,331
Non-Operating Revenue and Expenses	
Debt service	(276,923)
Change in Net Position	531,408
Net Position, Beginning of Year	9,026,899
Net Position, End of Year	$ 9,558,307

Note 14 - 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, 2023:

Commonfund investments	$ 28,245,675
Domestic securities	7,033,729
Foreign securities	1,842,069
	$ 37,121,473

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, 2023 unless otherwise stipulated:

Net unrealized and realized gain on investments held at market	$ 4,594,260
Investment income	295,047
Investment fees	(74,358)
	$ 4,814,949

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, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 25,820,374	$ 25,820,374
Board-designated endowment funds	7,766,521	-	7,766,521
	$ 7,766,521	$ 25,820,374	$ 33,586,895

Changes in Endowment net assets for the fiscal year ended June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 6,799,482	$ 23,320,404	$ 30,119,886
Investment return			
Investment income	45,534	153,552	199,086
Net loss (realized and unrealized)	947,899	3,196,633	4,144,532
Total investment returns	993,433	3,350,185	4,343,618
Contributions	-	128,554	128,554
Appropriation of endowment assets for expenditure	(26,394)	(978,769)	(1,005,163)
Other changes			
Board designated funds	-	-	-
Transfers at donor request from Nonendowed funds to endowed funds	-	-	-
Endowment net assets, end of year	$ 7,766,521	$ 25,820,374	$ 33,586,895

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 $0 as of June 30, 2023.

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 GAAP.

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 its 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, 2023:

	Level 1	Level 2	Level 3	Total
Domestic securities	$ 7,033,729	$ -	$ -	$ 7,033,729
Foreign securities	1,842,069	-	-	1,842,069
Total assets in the fair value heirarchy	$ 8,875,798	$ -	$ -	8,875,798
Investments measured at NAV practical expedient				28,245,675
Investments at fair value				$ 37,121,473

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, 2023.

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, 2023.

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Available)	Redemption Notice Period
Common Fund for Nonprofit Organizations				
Multi-Strategy Equity Fund (a)	$ 22,391,215	-	Monthly	5 Business Days
Multi-Strategy Bond Fund (b)	5,854,460	-	Monthly	5 Business Days
	$ 28,245,675			

(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 15 - Adoption of New Standard

As of July 1, 2022, the College adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset – an intangible asset – and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The Statement requires recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. Beginning fiscal year 2023 net position was restated to retroactively adopt the provisions of GASB Statement No. 96 as follows:

Net position at July 1, 2022	$ 102,275,925
Add right-to-use asset, net of accumulated amortization at July 1, 2022	2,097,421
Less subscription IT liability at July 1, 2022	(2,097,421)
Net position at July 1, 2022, as restated	$ 102,275,925

Required Supplementary Information
June 30, 2023

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,							
	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion share of the net pension liability (asset)	0.26417168%	0.27565245%	0.2903709%	0.3011448%	0.3222206%	0.3428184%	0.3447564%	0.3573277%
Employer's proportionate share of the net pension liability (asset)	$ 10,405,083	$ (217,705)	$ 6,742,796	$ 3,437,484	$ 4,752,810	$ 5,388,516	$ 6,988,742	$ 4,705,425
Employer's covered payroll	$ 10,414,700	$ 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	99.91%	-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)	83.09%	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,							
	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ 1,304,725	$ 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	$ (1,304,725)	$ (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	$ 10,927,343	$ 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%	11.94%	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,					
	2022	2021	2020	2019	2018	2017
Employer's proportion share of the net OPEB asset	2.2181530%	2.2181530%	2.2181530%	2.4294989%	2.4781575%	2.5252992%
Employer's proportionate share of the net OPEB asset	$ 3,137,947	$ 4,036,025	$ 3,265,564	$ 3,156,461	$ 3,156,461	$ 2,402,308
Employer's covered payroll	$ 28,336,834	$ 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	11.07%	14.72%	11.27%	11.27%	11.57%	9.04%
Plan fiduciary net position as a percentage of the total OPEB asset	237.30%	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,					
	2023	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	$ 29,284,774	$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%	0.00%	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,					
	2022	2021	2020	2019	2018	2017
Service cost	$ 379,403	$ 310,800	$ 195,813	$ 181,094	$ 204,395	$ 198,442
Interest on total OPEB liability	104,552	83,803	86,458	86,437	108,276	101,548
Effect of economic/demographic gains or (losses)	(583,799)	798,449	411,229	-	(525,655)	-
Effect of assumptions changes or inputs	(981,605)	15,911	671,139	64,089	(426,617)	-
Expected benefit payments	(255,308)	(203,192)	(112,727)	(106,526)	(149,259)	(87,259)
Net change in total OPEB liability	(1,336,757)	1,005,771	1,251,912	225,094	(788,860)	212,731
Total OPEB liability - beginning of year	4,587,972	3,582,201	2,330,289	2,105,195	2,894,055	2,681,324
Total OPEB liability - end of year	$ 3,251,215	$ 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, 2023

North Idaho College

	Original Budget*	Actual	Variance with Final Budget
Revenues			
State allocations	$ 21,038,100	$ 21,064,341	$ 26,241
Property taxes	17,659,145	17,520,607	(138,538)
Tuition and fees	10,613,285	10,259,797	(353,488)
Other revenues	2,469,558	7,835,483	5,365,925
Total revenues	51,780,088	56,680,228	4,900,140
Expenditures			
Direct Instruction	19,381,866	18,454,466	927,400
Academic Support	6,770,892	5,638,446	1,132,446
Student Services	4,328,372	3,705,125	623,247
Institutional Support	9,065,704	10,004,507	(938,803)
Plant Operations and Maintenance	4,936,063	5,182,018	(245,955)
Public Service	49,000	50,041	(1,041)
Student Aid	956,675	4,710,934	(3,754,259)
Transfers	6,291,516	6,014,317	277,199
Total expenditures	51,780,088	53,759,854	(1,979,766)
Revenues Over Expenditures	$ -	$ 2,920,374	$ 2,920,374

** Budget was not amended during the year.*

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

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Budget	FY 2025 Forecast
Building Revenues									
Revenues from Sales and Rentals [1]	$ 2,958,820	$ 2,225,985	$ 1,619,429	$ 1,201,916	$ 1,742,829	$ 1,174,159	$ 2,106,890	$ 2,014,490	$ 2,054,780
Interest Income	1,418	2,504	4,909	3,881	880	358	51,568	84,000	3,000
Total Building Revenues	**$ 2,960,238**	**$ 2,228,490**	**$ 1,624,338**	**$ 1,205,797**	**$ 1,743,709**	**$ 1,174,517**	**$ 2,158,458**	**$ 2,098,490**	**$ 2,057,780**
Operations and Maintenance Expense									
Cost of Merchandise Sold [2]	$ 1,318,971	$ 490,662	$ 235,135	$ 2,044	$ 3,095	$ 2,436	$ 391,756	$ 346,500	$ 2,055
Salaries and Benefits [3]	977,072	1,122,083	960,507	841,192	774,730	818,947	854,008	872,857	1,438,346
Repairs, Maintenance, and Supplies [4]	78,532	150,124	110,273	144,219	89,467	136,855	89,167	155,650	205,478
Utilities and Garbage [5]	123,736	114,530	82,492	72,589	77,268	85,037	91,501	97,292	102,739
Other Operating Expenses [6]	152,766	202,364	324,908	136,781	677,719	226,342	680,755	704,671	308,217
Total Building Expenses	**$ 2,651,076**	**$ 2,079,763**	**$ 1,713,315**	**$ 1,196,826**	**$ 1,622,279**	**$ 1,269,617**	**$ 2,107,187**	**$ 2,176,970**	**$ 2,056,835**
Net Revenue of Buildings	**$ 309,162**	**$ 148,727**	**$ (88,977)**	**$ 8,971**	**$ 121,430**	**$ (95,100)**	**$ 51,271**	**$ (78,480)**	**$ 945**
Student Union Fee + Other Income	$ 580,305	$ 527,488	$ 504,596	$ 476,873	$ 443,951	$ 428,087	$ 387,151	$ 367,794	$ 375,149
Student Wellness & Recreation Center Fee + Other	542,866	493,457	472,042	446,107	415,309	400,468	362,174	344,000	350,880
Student Union Fee Revenue [7]	**$ 1,123,171**	**$ 1,020,945**	**$ 976,638**	**$ 922,980**	**$ 859,260**	**$ 828,555**	**$ 749,325**	**$ 711,794**	**$ 726,029**
Total Pledged Revenues	**$ 1,432,333**	**$ 1,169,672**	**$ 887,661**	**$ 931,951**	**$ 980,690**	**$ 733,455**	**$ 800,596**	**$ 633,314**	**$ 726,974**
Debt Service on Parity Obligations									
Series 2008 Bonds	$ 353,850	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Series 2012 Bonds [8]	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	419,138	500,706	498,369
Total Debt-Service	**$ 1,069,139**	**$ 1,105,071**	**$ 1,081,456**	**$ 1,061,962**	**$ 1,070,971**	**$ 527,197**	**$ 419,138**	**$ 500,706**	**$ 498,369**
Fund Balance Support	**$ -**	**$ 207,000**	**$ 459,000**	**$ 396,000**	**$ 353,000**	**$ -**	**$ -**	**$ -**	**$ -**
Debt Service Coverage	**1.34**	**1.25**	**1.25**	**1.25**	**1.25**	**1.39**	**1.91**	**1.26**	**1.46**
Available for CapEx or Increase in Fund Balance	**$ 363,194**	**$ 64,601**	**$ (193,795)**	**$ (130,011)**	**$ (90,281)**	**$ 206,258**	**$ 381,458**	**$ 132,608**	**$ 228,605**

Footnotes

(1) FY 2023 - FY 2024 Building Revenues reflect change in Dining Services contract to Cost of Operations. FY 2024 reflects 5.00% enrollment decline and modest increases in rental fees.

(2) FY 2023 - FY 2024 Cost of Merchandise Sold reflects change in Dining Services contract to Cost of Operations.

(3) FY 2023 Salaries and Benefits reflect Salary / Wages increase for existing positions. FY 2024 average annual increase = 6.00%.

(4) FY 2023 Repair, Maintenance, and Supplies reflect Residence Hall, Student Union, and Student Wellness and Recreation projects. FY 2024 reflects increase in Residence Hall deferred maintenance projects,

(5) FY 2023 - FY 2024 Utilities and Garbage reflects modest increases in utility expenses.

(6) FY 2023 - FY 2024 Other Operating Expenses reflect change in Dining Services contract to Cost of Operations.

(7) FY 2023 Student Union Fee and Other Income reflects 9.56% enrollment decline from FY 2022. FY 2024 reflects 5.00% enrollment decline from FY 2023.

(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 2024 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	2023		2022	2021	2020	2019	2018	2017
	Based on Audit	(1)	Audited	Audited	Audited	Audited	Audited	Audited
Funds Pledged for Debt service								
Income from DHC Building operations								
Revenues for sales & rentals	$ 2,106,890	(2)	$ 865,603	$ 924,911	$ 385,620	$ 796,840	$ 1,408,451	$ 2,545,082
Dormitory Revenues	-	(3)	308,556	817,918	816,296	822,589	817,534	413,738
Subtotal	$ 2,106,890		$ 1,174,159	$ 1,742,829	$ 1,201,916	$ 1,619,429	$ 2,225,985	$ 2,958,820
Cost of sales and operating expenses	(2,107,187)		(1,269,617)	(1,622,279)	(1,196,826)	(1,713,315)	(2,079,763)	(2,651,076)
Net Revenues of DHC Buildings	$ (297)		$ (95,458)	$ 120,550	$ 5,090	$ (93,887)	$ 146,222	$ 307,744
Income from Other Sources								
Student Union Fee	$ 387,151	(4)	$ 428,087	$ 443,951	$ 476,873	$ 504,596	$ 527,488	$ 580,305
Student Wellness & Recreation Center Fee	362,174		400,468	415,309	446,107	472,042	493,457	542,866
Interest Income	51,568		358	880	3,881	4,909	2,504	1,418
Total Funds Pledged for Debt Service	$ 800,596		$ 733,455	$ 980,690	$ 931,951	$ 887,660	$ 1,169,672	$ 1,432,333
Transfer to pay Parity Debt Service	(419,138)	(5)	(527,197)	(1,070,971)	(1,061,962)	(1,081,456)	(1,105,071)	(1,069,139)
Excess Revenue	$ 381,458		$ 206,258	$ (90,281)	$ (130,011)	$ (193,796)	$ 64,601	$ 363,194
Capital Expenditures	-		-	-	-	-	(260,373)	(19,990)
Net Change in DHC Fund Balances	$ 381,458		$ 206,258	$ (90,281)	$ (130,011)	$ (193,796)	$ (195,772)	$ 343,204
DHC Fund Balances Beginning of Year	4,331,184	(6)	4,124,926	4,215,207	4,345,218	4,539,014	4,734,786	4,391,582
DHC Fund Balances End of Year	**$ 4,712,642**		**$ 4,331,184**	**$ 4,124,926**	**$ 4,215,207**	**$ 4,345,218**	**$ 4,539,014**	**$ 4,734,786**

Footnotes

(1) The College's Audited Financial Statements for FY 2023 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 2023 Schedule of Funds Provided and Required for Debt Service and include revenues of the Student Union Building.

(3) Dormitory revenues shown for FY 2023 are zero as debt service on the Series 2012 Bonds retired in FY 2022.

(4) Actual Student Union Fee revenue for FY 2023. The FY 2023 Schedule of Funds Provided and Required for Debt Service shows $749,325 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 Bond 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)

	2023	2022	2021	2020	2019	2018	2017
HEADCOUNT							
Fall Headcount	3,967	4,581	4,741	5,078	5,275	5,391	5,346
Fall FTE Students	2,310	2,773	2,863	3,026	3,188	3,252	3,345
Academic	2,273	2,730	2,825	2,997	3,195	3,369	3,623
Technical	417	542	612	602	664	695	789
Other (Dual Enrollment -- High School Students)	1,277	1,309	1,304	1,479	1,416	1,327	934
Average Class Size	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average Age	24	24	24	24	24	24	n/a
STUDENT DEMOGRAPHICS							
Residency							
Idaho:	3,739	3,985	4,189	4,529	4,725	4,814	4,754
Kootenai County	2,862	3,025	3,182	3,408	3,542	3,568	3,453
Benewah County	110	113	118	116	148	124	126
Bonner County	330	328	385	412	433	458	521
Boundary County	105	123	126	151	163	184	170
Shoshone County	108	127	130	170	164	162	199
All Other Idaho Counties	224	270	248	272	275	318	285
Montana	45	50	40	40	48	45	49
Washington	279	294	274	269	269	275	285
All Other States	236	252	278	240	233	257	189
Age Group							
19 Years or Younger	2,081	2,360	2,345	2,581	2,669	2,575	2,215
20-24 Years	860	979	1,057	1,134	1,057	1,179	1,286
25-39 Years	682	918	999	976	1,085	1,139	1,288
40-49 Years	166	163	175	192	232	259	289
50-59 Years	79	72	71	76	104	116	131
60 Years and Older	82	89	94	119	128	123	137
Gender							
Male	1,504	1,757	1,754	1,930	2,057	2,156	2,138
Female	2,463	2,824	2,987	3,148	3,218	3,235	3,208
Financial Aid							
Students Receiving Aid	3,712	3,790	2,867	2,885	3,012	3,182	3,468
Total Money Disbursed ($ millions)	13.9	13.4	14.3	14.4	14.9	16.4	18.4
Degrees Conferred							
Associate of Arts Degrees	728	734	740	681	687	690	746
Associate of Science Degrees							
Associate of Applied Science Degrees							
Certificates of Completion	643	735	657	678	655	504	335
GED Graduates	193	197	231	226	239	247	145
NIC Foundation and Development							
Scholarship Endowments, beginning of year	$ 24,698,394	$ 27,722,929	$ 21,429,561	$ 21,232,341	$ 20,012,980	$ 18,213,486	$ 16,152,484
General Scholarship and Designated Funds, beginning of year	3,862,650	4,521,503	5,338,361	6,086,028	5,811,853	4,586,510	4,099,394
Unrestricted Funds, beginning of year	9,240,652	9,781,028	6,145,943	5,420,670	4,973,243	4,520,600	3,912,038
Land, Buildings, Other Assets, beginning of year	323,243	374,941	1,286,511	765,130	583,550	632,378	684,530
Total Assets, beginning of year (audited)	$ 38,124,939	$ 42,400,401	$ 34,200,376	$ 33,504,169	$ 31,381,626	$ 27,952,974	$ 24,848,446
Scholarships Disbursed:							
Number of Scholarships	988	1,027	993	992	974	943	871
Amount of Scholarships	$ 1,179,040	$ 1,173,273	$ 1,137,418	$ 986,280	$ 934,009	$ 887,872	$ 903,024
Alumni Association:							
Number of Members	3,749	3,632	3,610	3,517	3,443	3,359	3,341
Number of Scholarships Funded							n/a
Amount of Scholarships Funded							n/a
External Grants Received by NIC, excluding professional- technical workforce training, ABE, GED, PELL or financial aid, grants or appropriations	$ 1,188,154	$ 1,722,838	$ 678,856	$ 1,200,055	$ 635,355	$ 2,018,466	$ 515,886

		Amount
OPERATING REVENUES		
Student tuition and fees, net of scholarship allowances	$	7,457,283
Auxiliary enterprises revenue		2,106,890
State and local grants and contracts		1,246,433
Federal grants and contracts		1,266,190
Other operating revenues		4,555,880
Total operating revenues		16,632,676
NON-OPERATING REVENUES		
State appropriations		21,038,100
Property taxes		18,962,119
Non operating state and federal grants		15,989,534
Non operating other income		459,593
Private gifts, grants and contracts		3,335,088
Investment income		1,195,589
Interest expense		(348,656)
Loss on disposal of fixed assets		(27,964)
Total non-operating revenues		60,603,403
Change in net position		3,907,967
Net position, beginning of year		102,275,925
TOTAL RESOURCES	$	106,183,892

Fiscal year 2023 Full-Time Student Fee (12 Credit Hours per Semester)
Tuition and Fees 2022-2023

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 2023 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 2022-2023.

Tax Year	Taxable Assessed Value (TAV)	Tax Levy (per $100 TAV)	Total Assessed Property Taxes
2022	$ 45,067,555,828	0.000381684	$ 17,201,565
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, 2023

North Idaho College

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, 2023, and the related notes to the financial statements, and have issued our report thereon dated December 28, 2023. 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 audit of the financial statements of North Idaho College Foundation, Inc. was not performed in accordance with *Government Auditing StandaUprds* 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

Spokane, Washington
December 28, 2023

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, 2023. 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, 2023.

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

Spokane, Washington
December 28, 2023

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		$ 3,436,287
COVID-19 Head Start	93.600		275,413
Total Head Start Cluster			3,711,700
TANF Cluster:			
Temporary Assistance for Needy Families	93.558		197,144
Substance Abuse & Mental Health: Office of Drug Policy - Idaho Family Meals	93.959		4,799
Subtotal Department of Health and Human Services Direct Programs			3,913,643
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	273,315
COVID-19 Title III-B	93.044	826000936 13	216,583
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	826000936 13	536,532
COVID-19 Title III-C	93.045	826000936 13	174,298
Nutrition Services Incentive Program	93.053	826000936 13	113,770
Total Aging Cluster			1,314,498
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	826000936 13	16,520
			16,520
Special Programs for the Aging Title III Part F Disease Prevention Health Promotion Services	93.043	826000936 13	51,902
ARPA-D	93.043	826000936 13	20,348
National Family Caregiver Support, Title III, Part E	93.052	826000936 13	134,333
COVID-19 Aging III-E	93.052	826000936 13	4,375
			138,708
Medicare Enrollment Assistance Program	93.071	826000936 13	22,471
Lifespan Respite	93.072	826000936 13	47,299
Elder Abuse Prevention Interventions Program	93.747	826000936 13	58,671
State Medicaid Fraud Control Units (Senior Medicare Patrol)	93.048	826000936 13	30,290
Idaho Department of Health & Welfare:			
Preventive Health and Health Services Block Grant	93.991	HC1101100	17,977
University of Idaho:			
Research and Development Cluster			
Idaho INBRE-4 Main	93.859	SI3394-SB-825861	127,706
Idaho INBRE-4 Core	93.859	SI3394-SB-825862	111,033
Total Idaho INBRE			238,739
Subtotal Department of Health and Human Services Pass-Through Programs			1,957,423
Total Department of Health and Human Services			5,871,066

Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Homeland Security Direct Programs:			
Federal Emergency Management Agency Programs:			
Idaho Office of Emergency Management	97.036		$ 13,969
Total Department of Homeland Security			13,969
Department of Education:			
Direct Programs:			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007		110,922
Federal Work-Study Program	84.033		118,041
Federal Pell Grant Program	84.063		4,326,150
Federal Direct Student Loans	84.268		3,455,988
Total Student Financial Assistance Cluster			8,011,101
TRIO Cluster			
TRIO - Student Support Services	84.042A		307,156
Education Stabilization Fund			
COVID-19 Higher Education Emergency Relief Fund - Student Share	84.425e		2,127,181
COVID-19 Higher Education Emergency Relief Fund - Institutional Share	84.425f		1,671,264
COVID-19 Higher Education Emergency Relief Fund - SIP	84.425m		96,838
Total Education Stabilization Fund			3,895,283
Subtotal Department of Education Direct Programs			12,213,540
Pass-Through Programs:			
State of Idaho Professional-Technical Education			
Adult Education - Basic Grants to States	84.002A	RG1614L1	228,881
Adult Education - Basic Grants to States	84.002A	RG1614M1	14,996
Adult Education - Basic Grants to States	84.002A	AL9614B1	15,121
Total Adult Education - Basic Grants to States			258,998
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E1	183,356
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E2	48,876
Career and Technical Education - Basic Grants to States	84.048A	RG1614W0	8,908
Career and Technical Education - Basic Grants to States	84.048A	20V048-90	84,060
Total Career and Technical Education - Basic Grants to States			325,200
Total Department of Education			12,797,738

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	$ 115,619
Job Corps Program	17.287	None	309,310
Direct Programs:			
Department of Labor Mine Safety and Helath Administration:			
Mine Health and Safety Grants	17.600		157,768
Total Department of Labor Employment Training Administration			582,697
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	6,030
Total Department of Housing and Urban Development			6,030
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	154,659
SNAP Cluster			
Supplemental Nutrition Assistance	10.551	WC089400	14,389
Total Department of Agriculture Food and Nutrition Service			169,048
Department of Defense:			
Pass-Through Programs			
Boise State University:			
Procurement Technical Assistance Center (PTAC) 2020	12.002	8580-PO134957	23,749
University of Seattle:			
Cybersecurity High School Innovation	12.905	None	6,712
Total Department of Defense			30,461
Small Business Administration			
Pass-Through Programs			
Boise State University:			
Small Business Development Centers	59.037	7982-E	82,062
Small Business Development Centers COVID-19	59.037	9405-PO137295	6,476
Total Small Business Administration			88,538
Total expenditures of federal awards			$ 19,559,547

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, 2023. 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, 84.425m
Student Financial Assistance Cluster	84.077, 84.033, 84.063, 84.268

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.