

BOISE STATE UNIVERSITY

FINANCIAL STATEMENTS

FISCAL YEAR 2024

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Reports of independent auditors and financial statements for the year ended June 30, 2024 and 2023 including single audit reports for the year ended June 30, 2024



BOISE STATE UNIVERSITY



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**BOISE STATE
UNIVERSITY**



INDEPENDENT AUDITORS' REPORT

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

Report on the Audits of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Boise State University, a component unit of the State of Idaho, as of and for the years ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Boise State University's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of Boise State University, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the discretely presented component unit, the Boise State Foundation (the Foundation), which represents 100% of the assets, net assets and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report 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 other auditors.

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Boise State University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Foundation were not audited in accordance with Government Auditing Standards.

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 Boise State University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedules of Changes in Employer's Total OPEB Liability and Annual Covered Payroll, the Schedule of Employer's Proportionate Share of Net OPEB Asset, the Schedule of Employer Contributions - Sick Leave Insurance Reserve Fund OPEB Plan, the Schedule of Employer's Proportionate Share of Net Pension Liability, and the Schedule of Employer Contributions - PERSI Base Plan be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2024, on our consideration of Boise State University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Boise State University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Boise State University's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Denver, Colorado
October 10, 2024



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2024

The following Management's Discussion and Analysis (MDNA) provides an overview of Boise State University's (the University) financial performance based on currently known facts, data and conditions and is designed to assist readers in understanding the accompanying financial statements. The financial statements encompass the University and a discretely presented component unit; however, the MDNA focuses only on the University. Information relating to the Boise State University Foundation (the Foundation) can be found in its separately issued financial statements. The University's financial report includes three basic financial statements: the Statements of Net Position; the Statements of Revenues, Expenses and Changes in Net Position; and the Statements of Cash Flows.

Boise State University is a publicly supported, multi-disciplinary doctoral institution of higher education recognized for outreach and community engagement. Originally founded in 1932, it became a university 50 years ago. The main campus is located in Boise, Idaho with convenient access to governmental institutions and commercial and cultural amenities located in the capital city. The Boise City-Nampa metropolitan area contains the three largest cities in Idaho and has an estimated population of 825 thousand. As of June 30, 2024, the University employed 5,059 faculty and staff (including 2,303 student employees). The University administers baccalaureate, masters and doctoral programs through eight academic colleges and one school: Arts and Sciences, Business and Economics, Education, Engineering, Graduate Studies, Health Sciences, Honors College, Innovation and Design and the School of Public Service. Within its academic colleges Boise State offers approximately 200 programs of study, including 18 doctoral options. These degree programs foster student success, lifelong learning, community engagement, innovation and creativity. This academic year, 5,463 students graduated from Boise State University, including 72 doctoral candidates. The University is classified as a doctoral research institution with high research activity by the Carnegie Classification of Institutions of Higher Education and has the Leadership for Public Purpose and Community Engagement designations. The University is home to 36 centers and institutes, including the Center for Health Policy, the Biomolecular Research Center, the Raptor Research Center and the Institute for Advancing American Values. These centers are conducting and fostering research and initiatives within and across colleges and in partnership with the community and industry. Student athletes compete in National Collegiate Athletic Association intercollegiate athletics at the Division I-A level on 7 men's and 11 women's teams across 12 unique sports. The University also hosts Boise State Public Radio (BSPR). BSPR is non-commercial, independent public media and features a news service and music service, with national programs from National Public Radio and other public radio distributors. BSPR serves nearly two-thirds of the population of Idaho, as well as parts of eastern Oregon and northern Nevada, through 20 transmitters and translators.



Overview of the Financial Statements and Financial Analysis

The financial statements for fiscal years ended June 30, 2024 and June 30, 2023 are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. The Boise State University Foundation, Inc. (the Foundation) is a legally separate, tax-exempt entity and is discretely presented for the fiscal years ended June 30, 2024 and 2023. The Foundation reports financial information according to Financial Accounting Standards Board (FASB) reporting standards.

The University presents component unit financial information on pages immediately following the statements of the University. Financial information of the component unit should not be combined with the financial information of the University. Financial statements of the Foundation may be obtained from the Office of the Chief Financial and Operations Officer and Vice President for Finance and Operations for the University.

Student Body

The University has the largest student enrollment of any public university in Idaho with a fall semester 2023 enrollment of 26,727 students (based on headcount with full-time equivalent enrollment of 18,121) and a fall semester 2022 enrollment of 26,162 students (based on headcount with full-time equivalent enrollment of 17,736) as of the October 15 census dates. This reflects an increase of 565 students based on headcount and an increase of 385 students based on full-time equivalent enrollment. Enrollment at the University during this academic year remained strong. In addition to having students attending from 42 counties in Idaho, the University hosts students from all 50 states and 98 countries. The University enrolls a diverse mix of both traditional age students and working adults.





Enrollment and Graduation Statistics Fall Semester				
	2020	2021	2022	2023
Enrollment				
Headcount	24,103	25,829	26,162	26,727
Full time equivalents	16,962	17,640	17,736	18,121
Undergraduate students				
Full time	12,973	13,274	13,433	13,644
Part time	7,815	9,162	9,529	9,899
Graduate students				
Full time	1,248	1,285	1,188	1,226
Part time	2,067	2,112	2,012	1,958
Students from Idaho	66%	66%	66%	69%
First year undergraduates/transfers				
Applied	18,693	18,905	20,004	18,949
Admitted	14,530	15,752	16,721	15,847
Enrolled	4,210	4,615	4,538	4,449
	2020-2021	2021-2022	2022-2023	2023-2024
Degrees Conferred				
Associate	132	127	184	184
Bachelor	3,754	4,080	3,991	4,098
Master	1,075	1,063	1,028	1,072
Doctorate	50	58	60	72
Certificate*	704	830	750	992

*Includes undergraduate, graduate and post-undergraduate certificates.



The University operates under a strategic enrollment and retention plan, whereby metrics are set and achieved to improve educational access and student success. In the last five years, the four-year graduation rate has increased by 39%. New first-time student enrollment of Idaho residents has also increased 20% in the same period. In addition, Boise State athletes graduated at an all-time high of 94% in 2024.

Online education has also been a focus. Nearly one-third of all undergraduate students take at least one online class during their degree and nearly one-quarter of students graduate from an online program. The online graduate nursing program has been ranked #10 in the country and the online cyber operations and resilience programs have been ranked #7 in the country.

State Appropriations

Legislatively-approved state appropriations, inclusive of capital appropriations, represent approximately 23% of the University's total annual revenues for fiscal year 2024. Such revenues are not included as pledged revenues, which are pledged as collateral under certain borrowing agreements. The Legislature generally meets beginning in January of each year and sets budgets and appropriations for all agencies and departments of state government for the fiscal year beginning the following July 1. The Legislature may also adjust budgets and appropriations for the fiscal year during which the Legislature is meeting.

If, in the course of a fiscal year, the Governor determines that the expenditures authorized by the Legislature for the current fiscal year exceed anticipated revenues expected to be available to meet those expenditures, the Governor, by executive order, may reduce (*holdback*) the spending authority on file in the office of the Division of Financial Management for any department, agency or institution of the state, or request a reversion (*reversion*) of appropriations back to the state to balance the state budget.

Statements of Net Position

The statements of net position include all assets, deferred outflows, liabilities and deferred inflows of the University. Assets, deferred outflows, liabilities and deferred inflows are reported on an accrual basis as of the statement date. This statement also identifies major categories of net position of the University as net investment in capital assets; restricted, expendable; and unrestricted. The first category, net investment in capital assets, reflects the University's equity in capital assets. The second net position category, restricted, expendable, is available for expenditure by the University for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. Finally, unrestricted net position provides the amount of equity in assets available to the University for any lawful purpose of the institution. Changes in net position over time are an indicator of whether the University's available resources are increasing or declining.



Summary Statements of Net Position			
As of June 30,			
(Dollars in Thousands)			
	2024	2023	2022
			Restated
ASSETS:			
Current assets	\$ 257,685	\$ 252,998	\$ 234,116
Capital assets, net	589,180	577,805	591,039
Other assets	203,202	136,989	143,794
Total assets	<u>1,050,067</u>	<u>967,792</u>	<u>968,949</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>33,281</u>	<u>39,881</u>	<u>28,276</u>
Total assets and deferred outflows			
of resources	<u>\$ 1,083,348</u>	<u>\$ 1,007,673</u>	<u>\$ 997,225</u>
LIABILITIES:			
Current liabilities	\$ 108,611	\$ 85,660	\$ 81,541
Non-current liabilities	309,430	278,086	260,305
Total liabilities	<u>418,041</u>	<u>363,746</u>	<u>341,846</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>57,788</u>	<u>61,123</u>	<u>78,136</u>
NET POSITION:			
Net investment in capital assets	343,963	331,423	334,814
Restricted, expendable	27,821	27,529	27,030
Unrestricted	235,735	223,852	215,399
Total net position	<u>607,519</u>	<u>582,804</u>	<u>577,243</u>
Total liabilities, deferred inflows of			
resources and net position	<u>\$ 1,083,348</u>	<u>\$ 1,007,673</u>	<u>\$ 997,225</u>

The University's total assets and deferred outflows of resources increased by \$75 million from \$1,008 million as of June 30, 2023 to \$1,083 million as of June 30, 2024. The primary driver was a \$68 million increase in noncurrent external investments primarily from the Series 2023 bond proceeds, interest income and property sales. Additionally, capital assets, net increased by \$11 million and current assets increased by \$5 million primarily due to an increase in cash with treasurer offset by a decline in cash and cash equivalents. Total deferred outflows related to pension, other post-employment benefits (OPEB) and Sick Leave Insurance Reserve Fund (SLIRF) decreased \$7 million. These funds are managed by the Public Employee Retirement System of Idaho (PERSI) and the decline is primarily attributed to PERSI's prior year investment performance.

The University's total liabilities rose by \$54 million during fiscal year 2024, primarily due to an increase in the bonds payable of \$35 million representing proceeds of Series 2023A bonds net of debt service. Additionally, state agency liabilities increased by \$7 million due to ongoing construction, accrued salaries and benefits payable increased by \$4.9 million due to payment timing and unearned revenue rose by



\$3.8 million primarily from summer program receipts. Additional increases were from Net pension liability and compensated absences payable.

Total deferred inflows of resources decreased \$3 million during fiscal year 2024, from \$61 million to \$58 million as of June 30, 2024. This decline was primarily due to changes in deferred inflows related to service concession agreements with EDR for the Honors College, pensions, SLIRF and OPEB, primarily stemming from PERSI's FY23 investment performance.

Total net position during fiscal year 2024 increased by \$25 million from \$583 million as of June 30, 2023 to \$608 million as of June 30, 2024. Unrestricted net position increased by \$12 million primarily due to an \$8 million gain on the sale of University Park Apartments and favorable interest rates. Net investment in capital assets increased by \$13 million due to \$11 million in debt repayments and premium amortization and \$5 million in donated assets. This growth was offset by depreciation and increases in liabilities that outpaced asset additions by \$3 million.

The University's total assets and deferred outflows of resources increased during fiscal year 2023 by \$10 million from \$997 million as of June 30, 2022 to \$1,007 million as of June 30, 2023. Cash, cash with treasurer and investments increased \$15 million and account receivable and unbilled charges, net increased \$2 million, driven by normal operations. Deferred outflows related to pensions increased by \$9 million and deferred outflows related to OPEB-SLIRF increased by \$3 million. These increases were offset by a \$13 million decrease in capital assets, net as depreciation outpaced asset additions and a \$6 million decrease in the net OPEB asset – SLIRF. Pension and OPEB-SLIRF funds are managed by PERSI, and changes are primarily due to unfavorable PERSI investment performance.

The University's total liabilities increased during fiscal year 2023 by \$22 million from \$342 million as of June 30, 2022 to \$364 million as of June 30, 2023. Net pension liability increased \$33 million due to market performance. This was offset by a \$12 million decrease in bond liabilities due to normal scheduled debt service payments.

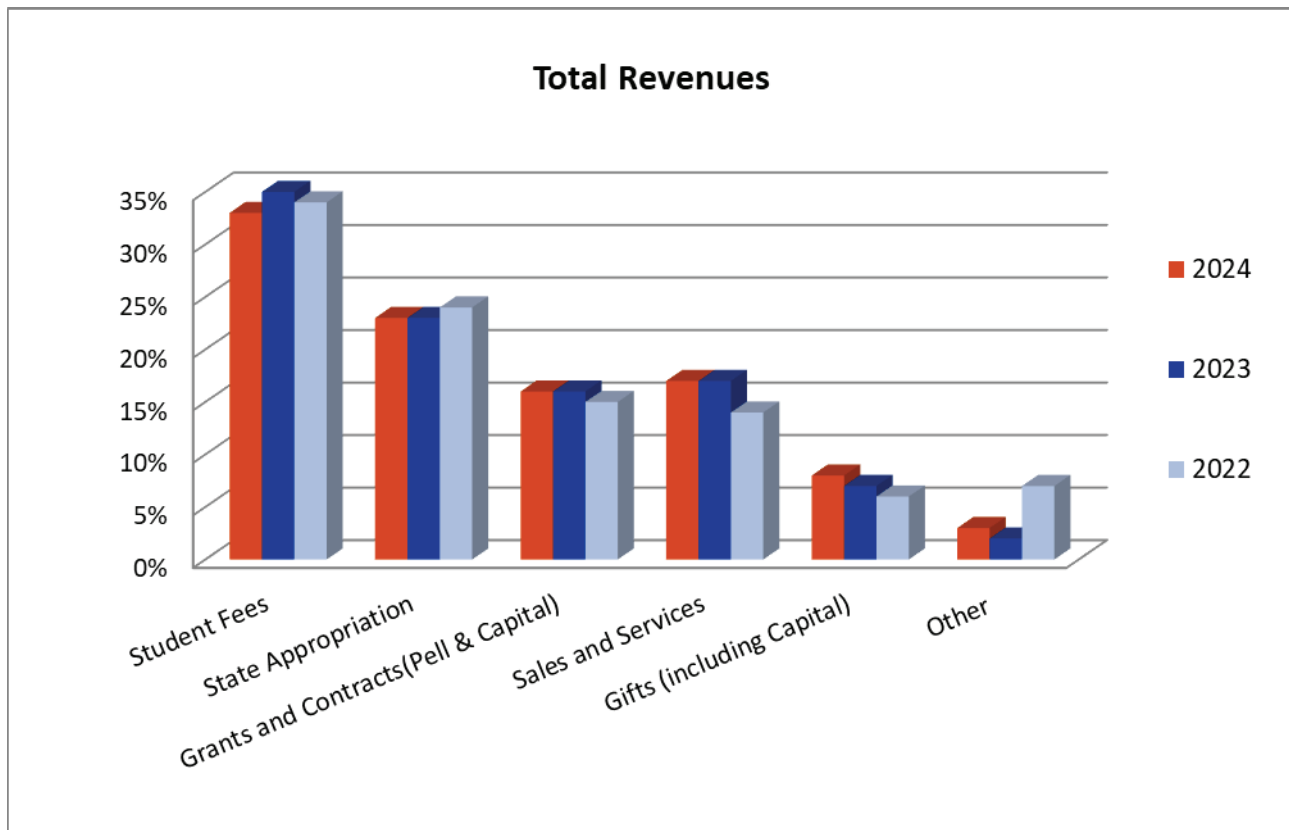
Total deferred inflows of resources decreased \$17 million during fiscal year 2023 from \$78 million to \$61 million as of June 30, 2023. The decrease can be attributed to changes in deferred inflows related to OPEB and OPEB-SLIRF primarily related to unfavorable PERSI investment performance in fiscal year 2022.

Total net position during fiscal year 2023 increased by \$6 million from \$577 million as of June 30, 2022 to \$583 million as of June 30, 2023. Unrestricted net position increased by \$9 million primarily due to increased student receipts and favorable interest rates. Net investment in capital assets decreased by \$3 million as depreciation exceeded asset additions and repayment of debt.



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 of the statement is to present the revenues (operating and non-operating) earned, the expenses (operating and non-operating) incurred and any other revenues, expenses, gains and losses recognized by the University. A publicly supported university will normally reflect a net operating loss because state general fund appropriations are not reported as operating revenues. Generally speaking, operating revenues are generated by providing services to students and the various customers and constituencies of the University. Operating expenses are those expenses incurred to acquire or produce the services provided in return for operating revenues and to carry out the functions of the University. Non-operating revenues are revenues for which services are not provided. For example, state general funds are non-operating because the Idaho State Legislative process provides them to the University without the Legislature directly receiving services in exchange for those revenues.



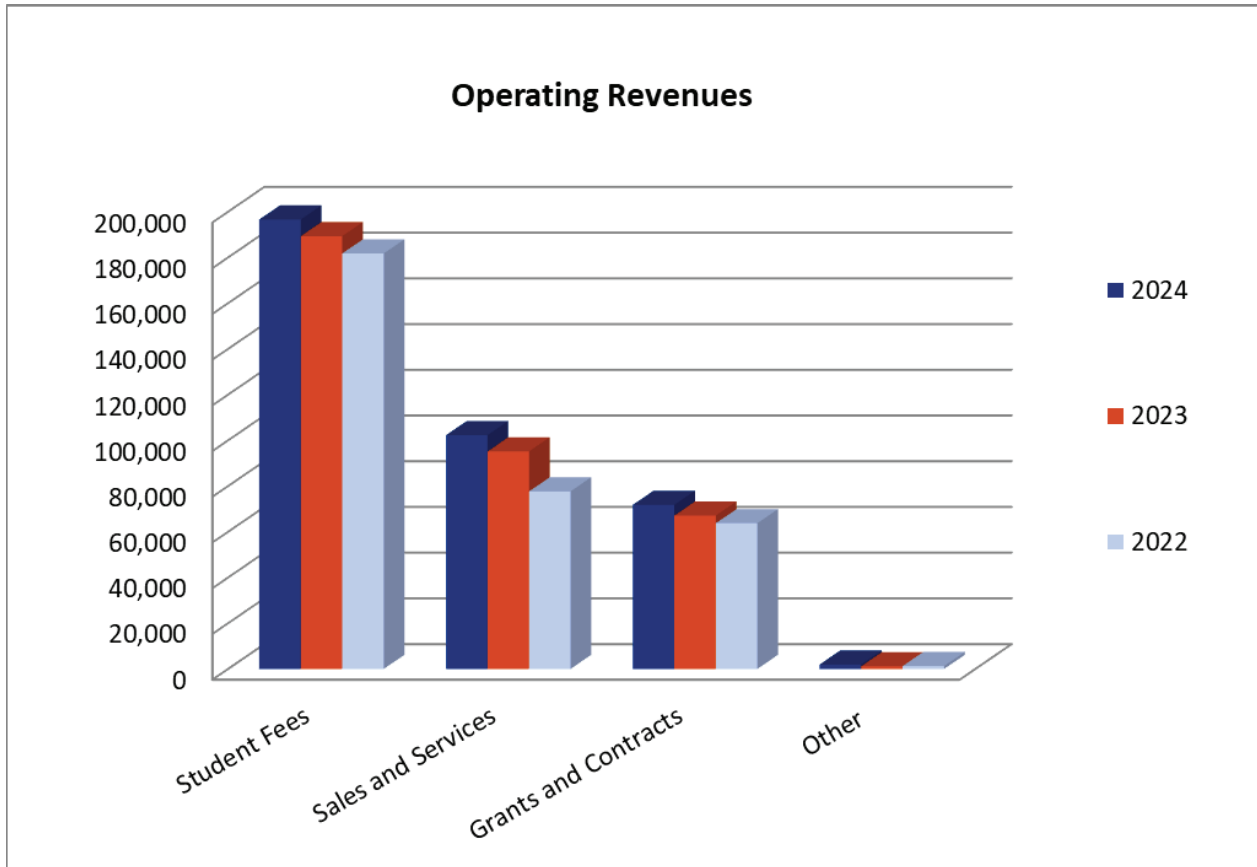
Total revenues are comprised of student fees, state appropriations, grants and contracts, sales and services of educational and auxiliary operations, gifts and other revenues. For the year ended June 30, 2024, Student fees, net, are \$196 million and represent 33% of total revenue, followed by state appropriations of \$137 million or 23% of total revenue. As a percentage of total revenue, grants and contracts contribute 16%, sales and services contribute 17%, gifts contribute 8%, while other revenue contributes 3% of total revenue.



	2024	2023	2022 Restated
Operating revenues	\$ 372,574	\$ 352,705	\$ 324,425
Operating expenses	568,073	533,458	478,529
Operating loss	(195,499)	(180,753)	(154,104)
Non-operating revenues and expenses	212,023	183,613	191,272
Income before capital revenues	16,524	2,860	37,168
Capital revenues	8,191	2,701	15,649
Increase in net position	\$ 24,715	\$ 5,561	\$ 52,817
Net position—Beginning of year	\$ 582,804	\$ 577,243	\$ 524,426
Increase in net position	24,715	5,561	52,817
Net position—End of year	\$ 607,519	\$ 582,804	\$ 577,243

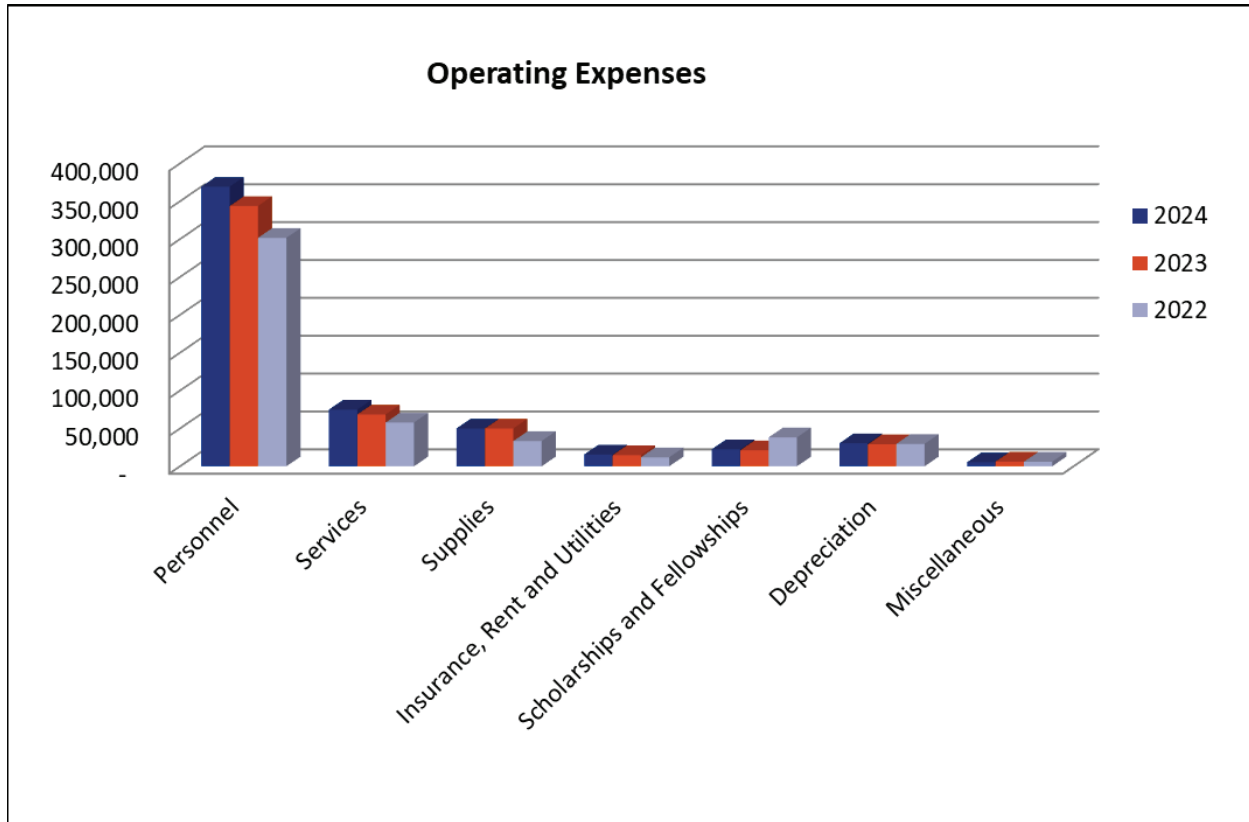
The statements of revenues, expenses and changes in net position reflect an overall increase in net position of \$25 million, \$6 million and \$53 million during fiscal years 2024, 2023 and 2022 respectively. During fiscal year 2024 operating revenues increased \$20 million or 6% while operating expenses increased \$35 million or 6%. The decline in operating margin in fiscal year 2024 is a direct reflection of operating expenses outpacing the increase in operating revenues due to inflation. Non-operating revenues and expenses and capital revenues increased resulting in an increase to net position of \$19 million.

Fiscal year 2023 represented a return to normal revenue and expense levels after the COVID-19 pandemic. Operating revenues increased \$28 million while operating expense increased \$55 million. The decline in operating margin in fiscal year 2023 is a direct reflection of operating expenses returning to normal levels along with record inflation. Non-operating revenues and expenses and capital revenues also declined resulting in a reduction of the increase to net position of \$47 million. Fiscal year 2023 is a return to typical performance, uninterrupted by a pandemic and associated federal aid.



Operating revenues increased by \$20 million from \$353 million in fiscal year 2023 to \$373 million in fiscal year 2024. Student fees, net increased \$7 million, or 4%, a combination of increased rates of 6% and enrollment of 2%. Sales and services revenues increased \$7 million, or 7%, resulting from an overall increase in revenue from auxiliary units.

Operating revenues increased by \$29 million from \$324 million in fiscal year 2022 to \$353 million in fiscal year 2023. Student fees, net increased \$8 million, or 4% due to an increase in charged rates. Sales and services revenues increased \$17 million, or 23%, resulting from a return to normal operations after the COVID-19 pandemic as well as a change in the structure of the University food service contract. In fiscal year 2023, a new contract moved away from a commission structure to one where revenues and expenses are recorded in operations. This change increases operating revenues by \$12 million. Grants and contract revenues increased \$3 million, or 5% driven by federal funding.



Operating expenses increased by \$35 million from \$533 million in 2023 to \$568 million in fiscal year 2024. Personnel expenses, which account for a significant portion of the increase rose by \$25 million or 7%. This growth was primarily driven by a \$16 million increase in salary expense. This increase was due to factors such as statewide changes in employee compensation, market rate increases, the addition of 99 full-time equivalent faculty and staff, inflationary pressures on salaries and an increase in student and temporary salaries of \$3 million. Employer taxes and benefit costs also increased by \$9 million due to higher wages and rate increases. Service expenses increased by \$6 million or 9% primarily due to a \$4 million increase in repairs and maintenance, \$1 million increase in professional services for sponsored project subcontractors and outside consultant services and \$1 million increase in travel expenses. The remaining change was in scholarships and fellowships which increased \$1.4 million or 6% and depreciation which increased 1.3 million or 4%.

Operating expenses increased by \$55 million from \$478 million in 2022 to \$533 million in fiscal year 2023. Personnel expenses increased \$42 million, or 14%. Salary expense increased \$27 million. A statewide change in employee compensation represents \$12 million of the increase and the addition of 162 FTE faculty and staff due to returning to normal operations after the pandemic along with market adjustments to retain employees generated the remaining increase. Inflation has put pressure on salaries with the University paying more to retain and attract employees. Employer taxes and benefit costs increased \$15 million. Expenses for services increased \$11 million; resuming events and operations on campus, including deferred maintenance spending and the lifting of travel restrictions as well as inflation drove the increase. Supplies expense increased by \$17 million, driven primarily by \$15 million in additional catering expense of which \$12 million is related to the new contract structure. Scholarships and fellowships decreased by \$17 million primarily due to the federal emergency aid granted to students in fiscal year 2022.



The University experienced a \$15 million increase in operating loss over fiscal year 2023. However, the University's net position improved due to significant increases in non-operating revenues of \$29 million, offset by a \$1 million increase in non-operating interest expense. Key contributors to the positive net position change included an increase in state appropriations of \$8.5 million, a gain of \$7.8 million from the sale of University Park Apartments, increased income from investments of \$6.7 million, gifts received of \$4 million and Pell revenue of \$2 million.

In fiscal year 2023, the net result was a \$27 million increase in operating loss over fiscal year 2022. Non-operating revenues and expenses declined by \$8 million. A reduction of federal aid grant revenue of \$34 million was offset by increases of \$13 million in state appropriations, \$4 million in gift revenue and \$9 million in revenue related to investments. Capital revenues represent capital gifts and grants; there were no capital appropriations from the state in fiscal year 2023.

Fiscal year 2024 capital revenues, comprised of appropriations, gifts and grants, increased by \$5.5 million compared to the previous year. This growth was primarily driven by a \$1.5 million increase in capital appropriations for the construction of a modular data center. Additionally, capital gifts increased by \$4 million, with the primary contributors being capital gift donations of three properties totaling \$1.6 million and \$500 thousand for soccer lights. Furthermore, capital grant revenue for equipment purchases amounted to \$1.9 million.

Capital Asset and Debt Administration

The University's capital assets (prior to accumulated depreciation) increased by \$33 million from \$1,013 million in 2023 to \$1,046 million in 2024. The University continued to improve infrastructure and acquire property consistent with the Campus Master Plan. The net change to construction in progress of \$20 million include \$15 million for a new residence hall, \$2 million in design costs for a stadium expansion and \$3 million in laboratory buildouts and other smaller projects. \$12 million in additions net of retirements to other capital assets include \$5 million in buildings and improvements, \$6 million in furniture and equipment and \$2 million in IT subscriptions offset by \$1 million decrease in library materials.

Capital assets, net increased \$11 million as the increase in assets was offset by a \$21 million increase in accumulated depreciation.

During fiscal year 2024, long-term debt held by the University increased by \$36 million or 17% from \$210 million to \$246 million. The University issued \$43,495,000 series 2023A general revenue bonds in September 2023. The proceeds of the bonds will be used to construct a residence hall. The new facility is designed as a 450-bed first-year student residence hall that consists of mixed single and double occupancy rooms and support spaces. The University's debt burden ratio as of June 30, 2024 was 3.4%. Management's policy, in accordance with the State Board of Education policy, is to maintain this ratio below 8%. The University's bond ratings are Aa3 and A+ by Moody's and S&P respectively.



Economic Outlook

According to the July 2024 Idaho General Fund Revenue Report published by the Division of Financial Management (DFM), the State of Idaho finished fiscal year 2024 with a \$52.5 million surplus. General fund revenues in fiscal year 2024 were \$5.34 billion, representing an expected decline from fiscal year 2023 of 9.8%. Idaho has had several rate income tax rate reductions with the latest being from 5.8% to 5.695% beginning in calendar year 2024. In addition, \$500 million was diverted from sales tax revenues to other initiatives as an outcome of legislative initiatives.

DFM's January 2024 Idaho Economic Forecast, which details expectations through 2028, reports positive differential trends in Idaho as compared to the nation. Job growth is expected in healthcare, construction and leisure and hospitality. Idaho wages are expected to increase at rates faster than the nation at an average of 3.5%. Population growth is expected to continue due to job opportunities which bodes well for the University.

Fitch Ratings affirmed Idaho's rating of AAA with a stable outlook on June 14, 2024, noting the state is "well positioned to absorb multiple rounds of recent tax cuts and dedicated spending allocations from the general fund, given Idaho's prudently managed budget with significant one-time spending that rolls off to create fiscal capacity." The ratings report also states that the long-term revenue trend is likely to exceed national GDP growth.

The University's fall semester degree seeking enrollment, which is the primary driver of tuition revenue, is holding steady. New first-time resident undergraduates increased 7% in fall 2023 and was a 20% increase over fall 2019. Online programs increased 3% over fall 2022 and have increased 20% since fall 2019.

Under the leadership of the President, Dr. Marlene Tromp, the University operates using the strategic plan "Blueprint for Success 2021-2028" which is centered on the following five goals:

- Improve Educational Access and Student Success
- Innovation for Institutional Impact
- Advance Research and Creative Activity
- Foster Thriving Community
- Trailblaze Programs and Partnerships

The plan and underlying strategies are operationalized with initiatives and measurements. The focus of the plan is to continue the emphasis on innovation to achieve the vision of being a premier student-success driven research university innovating for statewide and global impact in order to continue the mission of providing an innovative, transformative and equitable educational environment that prepares students for success and advances Idaho and the world. Outcomes are excellent, during fiscal year 2024, the University set all-time records for both athletics and overall fundraising, sponsored expenditures and awards as well as the number of graduates. In addition, sponsored awards for fiscal 2024 were a record \$83 million which is a 57% increase over the last five years.



Examples of improving student success and innovation for institutional impact include the development of the Math Learning Center which has won two national awards and is now a national model; during fiscal year 2024 the University received the Association of Public and Land-Grant Universities Degree Completion Award and the NWCCU Beacon Award for Excellence in Student Achievement and Success.

During fiscal year 2024, Boise State University Foundation on behalf of the University launched “Unbridled: The Campaign for Boise State University”. The Unbridled Campaign is a fundraising effort to support the Blueprint for Success with a goal of \$500 million by 2028. The campaign is organized into three broad categories: Student Success and Access, Relentless Faculty Innovation and Athletics: Positioned for What’s Next. The campaign has generated \$346 million toward the goal and fiscal year 2024 was the third consecutive record-setting fundraising year with a total of \$61.3 million raised. Donor support has been and will continue to be an important pillar of funding for the University.

Boise State University is positioned to continue to thrive and grow, in size and reputation. Idaho and the Treasure Valley remain popular for relocation. Under the leadership of Dr. Marlene Tromp, the University is focused on expanding national influence to deliver value to the city, state, region and country.





BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF NET POSITION
JUNE 30, 2024 AND JUNE 30, 2023

	University 2024	University 2023
ASSETS		
CURRENT ASSETS		
Cash with treasurer	\$ 104,629,218	\$ 94,585,880
Cash and cash equivalents	12,500,030	15,903,781
Student loans receivable, net	1,172,055	1,123,157
Accounts receivable and unbilled charges, net	37,529,557	37,532,531
Lease receivable	1,370,928	1,556,030
Service concession arrangement receivable	200,000	200,000
Prepaid expense	4,402,552	4,506,827
Inventories	2,645,195	3,502,317
Investments	84,496,365	88,449,854
Due from component units	8,282,891	5,233,382
Other current assets	456,247	404,120
Total current assets	257,685,038	252,997,879
NON-CURRENT ASSETS		
Student loans receivable, net of current portion	508,148	1,241,484
Lease receivable, net of current portion	4,746,002	4,664,878
Service concession arrangement receivable, net of current portion	8,433,333	8,633,333
Investments, net of current portion	165,618,955	97,982,679
Capital assets, net	589,180,032	577,804,694
Net other post-employment benefits (OPEB) asset-SLIRF	22,102,639	21,844,513
Other non-current assets	1,792,957	2,622,775
Total non-current assets	792,382,066	714,794,356
Total assets	1,050,067,104	967,792,235
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to refunding of debt	4,531,917	4,983,731
Deferred outflows related to pensions	17,636,147	21,164,395
Deferred outflows related to OPEB	7,174,357	9,261,649
Deferred outflows related to OPEB-SLIRF	3,938,968	4,471,012
Total deferred outflows of resources	33,281,389	39,880,787
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 1,083,348,493	\$ 1,007,673,022

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2024 AND JUNE 30, 2023

	University 2024	University 2023
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 19,306,595	\$ 17,847,187
Due to state agencies	11,063,361	3,607,489
Accrued salaries and benefits payable	24,416,129	19,527,032
Compensated absences payable	14,465,375	13,045,693
Interest payable	2,769,575	2,308,548
Unearned revenue	23,209,874	17,981,210
Refundable federal student assistance liability	629,726	280,949
Bonds payable	9,740,000	8,645,000
Obligations under leases	422,039	444,271
Obligations under subscriptions	2,482,468	1,866,612
Other current liabilities	105,943	105,536
Total current liabilities	108,611,085	85,659,527
NON-CURRENT LIABILITIES		
Unearned revenue	3,362,208	4,744,912
Refundable federal student assistance liability, net of current portion	1,576,216	2,617,554
Bonds payable, net of current portion	236,030,932	201,785,209
Obligations under leases, net of current portion	6,430,980	6,539,780
Obligations under subscriptions, net of current portion	1,050,101	2,318,709
OPEB obligation	26,383,510	27,234,582
Net pension liability	34,557,468	32,806,281
Other non-current liabilities	39,500	39,499
Total non-current liabilities	309,430,915	278,086,526
Total liabilities	418,042,000	363,746,053
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to grants received in advance	497,958	668,852
Deferred inflows related to pensions	452,562	951,664
Deferred inflows related to service concession arrangements	37,262,032	38,126,915
Deferred inflows related to OPEB	11,132,331	11,853,366
Deferred inflows related to OPEB-SLIRF	2,647,384	3,438,951
Deferred inflows related to leases	5,795,507	6,083,397
Total deferred inflows of resources	57,787,774	61,123,145
NET POSITION		
Net investment in capital assets	343,963,397	331,422,747
Restricted, expendable	27,820,621	27,528,794
Unrestricted	235,734,701	223,852,283
Total net position	607,518,719	582,803,824
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 1,083,348,493	\$ 1,007,673,022

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND JUNE 30, 2023

	Foundation 2024	Foundation 2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,112,886	\$ 3,406,602
Accrued interest and other receivables	472,353	332,633
Annuity receivable	22,839	22,839
Promises to give, net, non-endowment	4,949,545	3,823,859
Promises to give, endowment	791,134	393,282
Total current assets	8,348,757	7,979,215
NON-CURRENT ASSETS		
Restricted cash and cash equivalents	5,067,719	3,502,340
Promises to give, net, non-endowment	5,964,872	9,461,722
Promises to give, endowment	3,082,363	707,141
Annuity receivable	110,646	126,041
Investments	229,601,705	203,329,197
Interest in perpetual trusts	2,725,674	2,579,956
Construction in progress	6,186,470	5,459,602
Other assets	979,798	880,871
Total non-current assets	253,719,247	226,046,870
TOTAL ASSETS	\$ 262,068,004	\$ 234,026,085

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
JUNE 30, 2024 AND JUNE 30, 2023

	Foundation 2024	Foundation 2023
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 6,850,057	\$ 1,528,960
Scholarships payable	115,221	115,221
Interest payable	15,000	15,000
Prepaid parking and suites, current	212,484	357,552
Liability under split interest trust agreements	142,692	142,692
Trust earnings payable to trust beneficiaries	20,364	20,364
Total current liabilities	7,355,818	2,179,789
NON-CURRENT LIABILITIES		
Other long-term debt	3,000,000	3,000,000
Scholarships payable	230,444	345,665
Prepaid parking and suites, long term	1,519,231	1,333,301
Liability under split interest trust agreements	1,222,738	1,581,584
Amounts held in custody for others	1,128,610	1,114,757
Trust earnings payable to trust beneficiaries	64,520	75,107
Total non-current liabilities	7,165,543	7,450,414
Total liabilities	14,521,361	9,630,203
NET ASSETS		
With Donor Restriction		
Perpetual in nature	137,761,743	126,299,677
Purpose restrictions	83,718,226	72,592,611
Time-restricted for future periods-restricted	10,914,417	13,285,581
Time-restricted for future periods-unrestricted	1,522,174	1,350,895
Underwater endowments	(22,247)	(363,674)
Total with donor restriction net assets	233,894,313	213,165,090
Without Donor Restriction		
Undesignated	6,471,429	4,500,057
Designated by Board for Endowment	7,180,901	6,730,735
Total without donor restriction net assets	13,652,330	11,230,792
Total net assets	247,546,643	224,395,882
TOTAL LIABILITIES AND NET ASSETS	\$ 262,068,004	\$ 234,026,085

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30, 2023

	University 2024	University 2023
OPERATING REVENUES		
Student tuition and fees, pledged for bonds	\$ 233,692,067	\$ 220,107,450
Scholarship allowance	(37,093,800)	(30,797,000)
Student tuition and fees, net	196,598,267	189,310,450
Federal grants and contracts (including \$10,883,748 and \$10,265,962 of revenues pledged for bonds in 2024 and 2023, respectively)	61,089,368	57,759,417
State and local grants and contracts (including \$736,189 and \$702,457 of revenues pledged for bonds in 2024 and 2023, respectively)	6,071,454	5,501,446
Private grants and contracts (including \$587,784 and \$463,997 of revenues pledged for bonds in 2024 and 2023, respectively)	4,622,534	3,830,862
Sales and services of educational activities, pledged for bonds	10,927,147	11,937,903
Sales and services of auxiliary enterprises, pledged for bonds (Net of allowances of \$2,714,700 and \$4,134,900, respectively)	91,328,618	83,206,741
Other operating revenues, pledged for bonds	1,936,827	1,157,017
Total operating revenues	372,574,215	352,703,836
OPERATING EXPENSES		
Personnel cost	369,208,937	343,743,916
Services	74,858,730	68,491,981
Supplies	50,044,351	49,984,331
Insurance, utilities and rent	15,582,475	14,701,918
Scholarships and fellowships	22,552,607	21,195,940
Depreciation and amortization	30,452,962	29,156,434
Miscellaneous operating expenses	5,373,163	6,182,718
Total operating expenses	568,073,225	533,457,238
OPERATING LOSS	(195,499,010)	(180,753,402)

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (CONTINUED)
FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30, 2023

	University 2024	University 2023
NON-OPERATING REVENUES (EXPENSES)		
State appropriations	135,242,151	126,722,988
Pell grants	22,780,165	20,640,125
Gifts (includes gifts from component unit equal to \$28,749,937 and \$21,147,884 in 2024 and 2023, respectively)	41,287,938	36,887,332
Net investment income (including \$12,228,166 and \$5,850,289 of revenues pledged for bonds in 2024 and 2023, respectively)	12,773,832	6,058,086
Change in fair value of investments (including \$0 of revenues pledged for bonds in both 2024 and 2023)	1,435,909	31,268
Interest expense	(8,683,316)	(7,353,546)
Gain (Loss) on retirement of capital assets	7,276,928	(473,223)
Federal aid grant revenue (including \$0 of revenues pledged for bonds in both 2024 and 2023)	-	1,000,000
Other non-operating revenue (expense)	(90,837)	100,245
Net non-operating revenues	212,022,770	183,613,275
INCOME BEFORE CAPITAL REVENUES	16,523,760	2,859,873
CAPITAL REVENUES		
Capital appropriations	1,506,752	-
Capital grants and gifts (includes gifts from component unit equal to \$751,989 and \$6,776 in 2024 and 2023, respectively)	6,684,383	2,701,043
Total capital revenues	8,191,135	2,701,043
INCREASE IN NET POSITION	\$ 24,714,895	\$ 5,560,916
NET POSITION - Beginning of year	\$ 582,803,824	\$ 577,242,908
INCREASE IN NET POSITION	24,714,895	5,560,916
NET POSITION - End of year	\$ 607,518,719	\$ 582,803,824

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2024

	Without Donor Restriction	With Donor Restriction	Foundation 2024
OPERATING REVENUES:			
Gifts	\$ 630,062	\$ 27,758,659	\$ 28,388,721
In-kind contributions	59,704	69,953	129,657
Other income	5,233,782	4,298,654	9,532,436
Net investment income	3,821,047	17,497,848	21,318,895
Change in split interest trusts	-	248,635	248,635
Total revenues and gains	9,744,595	49,873,749	59,618,344
Net assets released from restrictions through satisfaction of:			
Program restrictions	28,568,275	(28,568,275)	-
Write-off of promises to give	582,457	(582,457)	-
Board and donor designated transfers	(6,206)	6,206	-
Total operating revenues	38,889,121	20,729,223	59,618,344
OPERATING EXPENSES:			
Distribution of scholarships and general endowments	7,074,166	-	7,074,166
Distribution of funds for academic programs	4,312,295	-	4,312,295
Distribution of funds for athletic programs:			
Program services	17,346,667	-	17,346,667
Management and general	768,798	-	768,798
Uncollectible promise to give expense	579,317	-	579,317
Administrative expense:			
Program services	391,256	-	391,256
Fundraising expenses	4,184,223	-	4,184,223
Management and general	1,810,861	-	1,810,861
Total operating expenses	36,467,583	-	36,467,583
OPERATING INCOME (EXPENSE)	2,421,538	20,729,223	23,150,761
CHANGE IN NET ASSETS	2,421,538	20,729,223	23,150,761
NET ASSETS - Beginning of year	11,230,792	213,165,090	224,395,882
NET ASSETS - End of year	\$ 13,652,330	\$ 233,894,313	\$ 247,546,643

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY COMPONENT UNIT
BOISE STATE UNIVERSITY FOUNDATION, INC.
STATEMENTS OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2023

	Without Donor Restriction	With Donor Restriction	Foundation 2023
OPERATING REVENUES:			
Gifts	\$ 596,318	\$ 27,099,529	\$ 27,695,847
In-kind contributions	59,704	448,000	507,704
Other income	4,239,525	4,405,005	8,644,530
Net investment income	1,212,415	12,962,827	14,175,242
Change in split interest trusts	-	(33,989)	(33,989)
Total revenues and gains	<u>6,107,962</u>	<u>44,881,372</u>	<u>50,989,334</u>
Net assets released from restrictions through satisfaction of:			
Program restrictions	19,956,066	(19,956,066)	-
Write-off of promises to give	149,975	(149,975)	-
Board and donor designated transfers	13,504	(13,504)	-
Total operating revenues	<u>26,227,507</u>	<u>24,761,827</u>	<u>50,989,334</u>
OPERATING EXPENSES:			
Distribution of scholarships and general endowments	6,966,156	-	6,966,156
Distribution of funds for academic programs	4,241,214	-	4,241,214
Distribution of funds for athletic programs:			
Program services	9,251,376	-	9,251,376
Management and general	695,914	-	695,914
Uncollectible promise to give expense	157,445	-	157,445
Administrative expense:			
Program services	417,570	-	417,570
Fundraising expenses	2,844,605	-	2,844,605
Management and general	1,757,402	-	1,757,402
Total operating expenses	<u>26,331,682</u>	<u>-</u>	<u>26,331,682</u>
OPERATING INCOME (EXPENSE)	<u>(104,175)</u>	<u>24,761,827</u>	<u>24,657,652</u>
NON-OPERATING EXPENSES:			
Loss on sale of real property	-	(42,073)	(42,073)
CHANGE IN NET ASSETS	(104,175)	24,719,754	24,615,579
NET ASSETS - Beginning of year	<u>11,334,967</u>	<u>188,445,336</u>	<u>199,780,303</u>
NET ASSETS - End of year	<u>\$ 11,230,792</u>	<u>\$ 213,165,090</u>	<u>\$ 224,395,882</u>

See notes to financial statements.



BOISE STATE UNIVERSITY

BOISE STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30 2023

	University 2024	University 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Student fees	\$ 193,441,963	\$ 190,216,736
Grants and contracts	69,564,793	66,157,352
Sales and services of educational activities	10,127,664	11,093,521
Sales and services of auxiliary enterprises	100,121,684	82,024,723
Other operating receipts	3,893,404	3,387,696
Payments to employees	(358,163,761)	(339,884,346)
Payments for services	(74,695,057)	(65,744,344)
Payments for supplies	(48,970,941)	(51,996,569)
Payments for insurance, utilities and rent	(15,688,320)	(13,599,201)
Payments for scholarships and fellowships	(22,419,249)	(21,142,786)
Loans issued to students	(3,950)	(4,150)
Collections of loans to students	649,092	736,507
Other payments	(5,649,553)	(4,027,768)
Fiduciary activities- Direct student loan receipts	76,756,574	74,057,350
Fiduciary activities- Direct student loan disbursements	(76,756,574)	(74,057,350)
Net cash used in operating activities	(147,792,231)	(142,782,629)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
State appropriations	134,771,481	125,424,724
Pell grants	22,780,165	20,640,125
Gifts	38,238,429	36,423,368
Federal aid grants	1,000,000	-
Other payments	(352,181)	(922,633)
Net cash provided by non-capital financing activities	196,437,894	181,565,584
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Leased assets	16,086	(1,221,693)
Capital grants and gifts	3,413,865	1,206,776
Purchases of capital assets	(30,516,267)	(10,660,524)
Proceeds from notes and bonds payable	46,431,217	-
Proceeds from sale of capital assets	7,747,588	-
Principal paid on notes and bonds payable	(9,015,000)	(10,230,000)
Interest paid on notes and bonds payable and leases	(9,845,968)	(9,115,240)
Payments for bond issuance costs	(431,217)	-
Other receipts (payments)	(333,334)	392,079
Net cash provided/(used) in capital and related financing activities	7,466,970	(29,628,602)

See notes to financial statements.



BOISE STATE UNIVERSITY

**BOISE STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
FISCAL YEARS ENDED JUNE 30, 2024 AND JUNE 30 2023**

	University	University
	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(693,621,557)	(573,061,969)
Proceeds from sales and maturities of investments	631,366,037	569,791,320
Investment income	12,782,474	6,429,780
Net cash provided/(used) by investing activities	<u>(49,473,046)</u>	<u>3,159,131</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER	6,639,587	12,313,484
CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER—Beginning of year	<u>110,489,661</u>	<u>98,176,177</u>
CASH AND CASH EQUIVALENTS AND CASH WITH TREASURER—End of year	<u>\$ 117,129,248</u>	<u>\$ 110,489,661</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH AND CASH EQUIVALENTS USED IN OPERATING ACTIVITIES		
Operating loss	\$ (195,499,010)	\$ (180,753,402)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	30,452,962	29,156,434
Changes in assets and liabilities:		
Student loans receivable, net	684,438	1,043,661
Accounts receivable and unbilled charges, net	(526,356)	619,132
Inventories	857,122	(585,262)
Net other post-employment benefit asset	(258,126)	6,251,883
Net pension asset	-	639,122
Other assets	881,966	(707,998)
Deferred outflows related to pensions	3,528,248	(8,964,708)
Deferred outflows related to OPEB	2,087,292	84,383
Deferred outflows related to OPEB-SLIRF	532,044	(3,222,470)
Accounts payable and accrued liabilities	1,459,408	1,067,941
Accrued salaries and benefits payable	4,889,097	(944,974)
Compensated absences payable	1,419,682	1,280,445
Unearned revenue	3,845,960	5,305,404
Other post-employment benefits obligation	(851,072)	(6,805,778)
Net pension liability	1,751,187	32,806,281
Other liabilities	408	(148,671)
Deferred Inflows related to grants received in advance	(170,894)	267,059
Deferred Inflows related to pensions	(499,102)	(20,788,296)
Deferred Inflows related to service concession agreements	(864,883)	(864,882)
Deferred Inflows related to OPEB	(721,035)	6,429,459
Deferred Inflows related to OPEB Asset	(791,567)	(3,947,392)
Net cash used in operating activities	<u>\$ (147,792,231)</u>	<u>\$ (142,782,629)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS:		
Assets donated to the University	\$ 8,124,517	\$ 1,494,267
Donated building maintenance	3,610,496	2,890,497
Total non-cash transactions	<u>\$ 11,735,013</u>	<u>\$ 4,384,764</u>

See notes to financial statements.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity – Boise State University is part of the public system of higher education in the State of Idaho. The system is considered part of the State of Idaho reporting entity and is directed by the State Board of Education (SBOE or Board), a body of eight members. Seven members are appointed by the Governor and confirmed by the Legislature. The elected State Superintendent of Public Instruction serves ex-officio as the eighth member of the Board. The University is part of the primary government of the State of Idaho and is included in the state’s Annual Comprehensive Financial Report (Annual Report) within the Business-Type Activities/Enterprise Funds. The Annual Report may be obtained from the Office of the Idaho State Controller located at:

Office of the Idaho State Controller
700 W State Street, 4th Floor
P.O. Box 83720
Boise, Idaho 83720-0011
www.sco.idaho.gov

The financial statements for fiscal years ended June 30, 2024 and June 30, 2023 are prepared in accordance with GASB principles, which constitute Generally Accepted Accounting Principles (GAAP) for governmental entities. The University considers component units with net position greater than 5% of the University’s net position to be significant. As such, the Boise State University Foundation, Inc. is discretely presented for the fiscal years ended June 30, 2024 and 2023. The Foundation was established for the purpose of soliciting donations for the exclusive benefit of the University. Financial statements of the Foundation may be obtained from the Office of the Vice President and Chief Financial Officer for the University. The Foundation’s financial statements are prepared in accordance with Financial Accounting Standards Board (FASB) pronouncements.

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

The Foundation is a legally separate, private, non-profit organization, whose basis of accounting is FASB standards. As such, certain accounting and presentations differ from those following GASB standards. Accordingly, the Foundation’s financial statements have been reported on separate pages following the respective financial statements of the University. Financial information of the Foundation should not be combined with that of the University.

Cash with Treasurer – Balances classified as Cash with Treasurer are amounts that have been remitted to the State of Idaho as a result of the student tuition fee collection process. Once remitted, these funds are under the control of the State Treasurer. Such funds are released to the University as reimbursement for expenditures incurred.

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



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

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

Investments – The University accounts for its investments at fair value. Unrealized gains or losses on the carrying value of investments are reported as a component of change in fair value of investments in the statement of revenues, expenses and changes in net position. Investments externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other non-current assets as well as investment amounts of maturities that exceed one year, are classified as non-current assets in the statement of net position. The University deposits certain funds for investment with the Idaho State Treasury.

Capital Assets, Net – Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the acquisition value at the date of the gift. The University's capitalization policy includes all tangible items with a unit cost greater than \$5,000 and an estimated useful life of greater than one year. Intangible assets with a unit cost greater than \$200,000 and an estimated useful life of greater than one year are recorded as capital assets. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40 to 50 years for buildings, 20 to 25 years for land improvements, 10 years for library books and five to 13 years for equipment. The University has certain collections that are not capitalized, including the Nell Shipman Film Collection and Albertsons Library Special Collections. These collections adhere to the University's policy to (a) maintain them for public exhibition, education or research; (b) protect, keep unencumbered, care for and preserve them; and (c) require proceeds from their sale to be used to acquire other collection items.

Restricted Assets – Assets are reported as restricted when constraints on asset use are imposed by constitutional provisions, enabling legislation or external parties; and the constraints change the nature or normal understanding of the asset.

Direct Student Loan Programs – The University receives proceeds from the Federal Direct Student Loan Program (FDSLP) and alternative student loan providers. GASB Statement No. 84 allows business-type activities such as Boise State University to report activities that would otherwise be considered custodial funds as operating activity if upon receipt, the funds are normally expected to be held for three months or less. Funds associated with the direct student loan programs meet this exception and are reported as operating activity on the Statement of Cash Flows. The University disbursed direct student loans in the amount of \$76,756,574 and \$74,057,350 for fiscal years ended 2024 and 2023 respectively.

Deferred Outflows of Resources – Deferred outflows of resources are a consumption of net position by the University that is applicable to future reporting periods. Similar to assets, they have a positive effect on the University's net position. Deferred outflows will be recognized as an outflow (expensed) in a future period.

Compensated Absences – Employees earn vacation based on hours worked and years of service; compensatory time earned is based on hours worked in excess of 40 hours per week. Upon termination of employment, an employee is paid for unused vacation time and administrative leave. The University



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

accrues a liability when incurred. The liability is based on the pay rate in effect at the statement date and assumes a first-in, first-out flow for compensated absence balances. As such, the liability is recorded as a current liability.

Sick leave is recorded as an expense when paid. There is no payout provision for unused sick leave and no liability exists.

Refundable Federal Student Assistance Liability – The Federal Perkins Loan Program was a federal revolving loan program that provided long-term low-interest loans to students who demonstrated the need for financial aid to pursue their course of study. A revolving loan fund was established with an initial Federal Capital Contribution (FCC) and a matching Institutional Capital Contribution (ICC). The program has been discontinued and the FCC must be returned to the U.S. Department of Education annually, as collected, beginning in October 2019.

Non-current Liabilities – Non-current liabilities include (1) principal amounts of revenue bonds payable, and notes payable with contractual maturities greater than one year; and (2) estimated amounts for other liabilities that will not be paid within the next fiscal year.

Pensions – For purposes of measuring the net pension liability (asset) and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho (PERSI) Base Plan (Base Plan) and additions to/deductions from the 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.

Deferred Inflows of Resources – Deferred inflows of resources are an acquisition of net position that is applicable to future reporting periods. Similar to liabilities, they have a negative effect on net position. Deferred inflows will be recognized as an inflow of resources (revenue) in a future period.

Other Post-Employment Benefits (OPEB) – The financial statements of the OPEB plans are reported using the accrual basis of accounting. Contributions are recorded when earned and expenses, including benefits and refunds paid, are recorded when a liability is incurred, in accordance with the benefit terms. These benefits are funded on a pay-as-you-go basis.

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

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

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



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Unrestricted – Unrestricted net position represents equity in assets derived mainly from student tuition and fees, sales and services of educational departments, auxiliary enterprises and state appropriations. These resources are used for transactions related to the educational and general operations of the University and may be used to meet current expenses for any lawful purpose and in accordance with SBOE policy. When an expense is incurred that can be paid using either restricted or unrestricted resources, the expense allocation is made on a case-by-case basis. Restricted resources remain classified as such until spent.

Income and Unrelated Business Income Taxes – The University is excluded from federal income taxes under Section 115 of the Internal Revenue Code, per determination letter dated April 21, 1989. The University is subject to tax on its unrelated business income. Defined by the Internal Revenue Code, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the performance by the organization of its exempt purpose or function. The University's unrelated business income tax was offset by a net operating loss carryforward resulting in no income tax liability as of June 30, 2024 and 2023.

Classification of Revenues and Expenses – Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the University's principal ongoing operations. Operating revenues include activities that have characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, (3) most federal, state and local grants and contracts that are essentially contracts for services and (4) interest earned on institutional student loans. Non-operating revenues and expenses include activities that have characteristics of non-exchange transactions. Non-operating revenues and expenses include state appropriations, Pell Grants, private gifts for other than capital purposes, investment income, net unrealized appreciation or depreciation in the fair value of investments, interest expense and gain or loss on the disposal of capital assets and other non-exchange transactions. Capital revenues include capital appropriations from the state along with other capital grants and gifts.

Scholarship Discounts/Allowances – Student tuition and fee revenues net of scholarship discounts and allowance are reported in the statements of revenues, expenses and changes in net position. Scholarship discounts and allowances represent the difference between the full cost of goods and services and the amount students pay or third parties pay on the students' behalf. Federal, state, and nongovernmental student aid grants are recorded as operating revenues, except for Federal Pell Grants, which are classified as non-operating revenues. To the extent that revenues from such programs are used to satisfy student fees and related charges, the University has recorded a scholarship discount or allowance.

Effective Fiscal Year 2024, the University shifted its method of calculating scholarship allowances from an estimated approach to an actual identification method. Previously, the University used an alternative method that allocated institutional aid proportionally between scholarship discounts and student aid expenses. The University is now leveraging improved information systems that are capable of matching student aid with student charges. The system uses ordering rules for applying aid which provide the actual scholarship allowance versus an estimate. In accordance with GASB statement No. 100, Accounting Changes and Error Corrections, this change is being made on a prospective basis, meaning this change was not made for the scholarship allowance reported for the year ended June 30, 2023.



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Accounting Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosures of contingent liabilities at the date of the financial statements as well as revenues and expenses during the year. Actual results could differ from those estimates. A change in accounting estimate occurs when inputs change. Changes in inputs result from a change in circumstances, new information or more experience.

Newly Implemented Accounting Standards – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The implementation had no material impact on the University’s financial statements.

Upcoming Accounting Standards – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Management is evaluating the impact implementing this statement will have on the University’s future financial statements.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. Management is evaluating the impact implementing this statement will have on the University’s future financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. Management is evaluating the impact implementing this statement will have on the University’s future financial statements.



2. CASH WITH TREASURER, CASH AND CASH EQUIVALENTS, INVESTMENTS AND RESTRICTED ASSETS

Deposits – Cash with treasurer is under the control of the State Treasurer. Amounts deposited with the State Treasurer and federally chartered institutions are carried at cost. Custodial credit risk is the risk that in the event of a financial institution failure, the deposits may not be returned. The state’s policy for managing custodial credit risk can be found in Idaho Code, Section 67-2739.

Basis of Custodial Credit Risk				
As of June 30,				
(Dollars in Thousands)				
	2024		2023	
Cash on hand	\$	57	\$	72
Federally insured		500		500
Collateralized by securities held by the pledging financial institution		11,943		15,332
Total cash and cash equivalents	\$	12,500	\$	15,904

Investments – Idaho Code, Section 67-1210 limits credit risk by restricting the investment activities of the Local Government Investment Pool (LGIP) and state agencies. Idaho Code also gives the State Board of Education the authority to establish investment policies for the University. The objectives of the established investment policy, in order of priority, are preservation of capital, maintenance of liquidity and achievement of a fair rate of return. The University invests in external investment pools managed by both State of Idaho and other fixed rate investment fund managers. The state’s investment pool is managed by the Idaho State Treasurer’s Office. The University reported \$128,162,650 and \$66,639,263 as non-current investments due to external restrictions as of June 30, 2024 and 2023, respectively.

Concentration of Credit Risk – The University’s investment policy addresses diversification of investments. GASB Statement No. 40 requires reporting entities to provide note disclosure when 5% of the total government investments are concentrated in any one issuer. Investments in obligations explicitly guaranteed by the U.S. Government, mutual funds and other pooled investments are exempt from disclosure. As of June 30, 2024 and 2023, the University has no 5% issuer concentrations.



2. CASH WITH TREASURER, CASH AND CASH EQUIVALENTS, INVESTMENTS AND RESTRICTED ASSETS (Cont.)

Credit Risk of Debt Securities – The University’s investment policy addresses the credit quality of investments in debt securities. The risk that an issuer of debt securities or counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody’s or Standard and Poor’s. Ratings, as of June 30, are presented below using the Moody’s scale. Aaa ratings signify that the portfolio holdings are judged to be of the highest credit quality and subject to the lowest level of credit risk.

Credit Risk of Debt Securities								
As of June 30, 2024								
(Dollars in Thousands)								
Investment Type	Fair Value	Aaa	Aa2	Aa3	A1	A2	A3	Unrated
		P-1			P-2			
Local government investment pool	\$187,247	-	-	-	-	-	-	\$187,247
Corporate bonds	30,079	1,949	1,023	4,395	10,315	10,100	2,297	-
Federal agency securities	31,566	30,167	-	-	1,399	-	-	-
Money market fund	1,223	-	-	-	-	-	-	1,224
	<u>\$250,115</u>	<u>\$ 32,116</u>	<u>\$ 1,023</u>	<u>\$ 4,395</u>	<u>\$ 11,714</u>	<u>\$ 10,100</u>	<u>\$ 2,297</u>	<u>\$188,471</u>
% of Total	100%	13%	0%	2%	5%	4%	1%	75%

Credit Risk of Debt Securities								
As of June 30, 2023								
(Dollars in Thousands)								
Investment Type	Fair Value	Aaa	Aa2	Aa3	A1	A2	A3	Unrated
		P-1			P-2			
Local government investment pool	\$123,881	-	-	-	-	-	-	\$123,881
Corporate bonds	29,487	1,442	496	6,312	7,001	9,639	4,597	-
Federal agency securities	32,911	31,572	-	-	1,339	-	-	-
Money market fund	154	-	-	-	-	-	-	154
	<u>\$186,433</u>	<u>\$ 33,014</u>	<u>\$ 496</u>	<u>\$ 6,312</u>	<u>\$ 8,340</u>	<u>\$ 9,639</u>	<u>\$ 4,597</u>	<u>\$124,035</u>
% of Total	100%	18%	1%	3%	4%	5%	2%	67%



2. CASH WITH TREASURER, CASH AND CASH EQUIVALENTS, INVESTMENTS AND RESTRICTED ASSETS (Cont.)

Interest Rate Risk – The University’s investment policy dictates that the maximum maturity of any security purchased be five years and that the average weighted maturity of any managed portfolio does not exceed three years. Approximately 18% of total investments are invested in securities with maturities longer than one year as of June 30, 2024.

Investment Maturities In Years			
As of June 30, 2024			
(Dollars in Thousands)			
Investment Type	Fair Value	Less than 1	1 to 5
Investments measured at fair value:			
Corporate bonds	\$ 30,079	\$ 7,284	\$ 22,795
Federal agency securities	31,566	8,636	22,930
Money market fund	1,223	1,223	-
	<u>62,868</u>	<u>17,143</u>	<u>45,725</u>
Local government investment pool	<u>187,247</u>	<u>187,247</u>	<u>-</u>
Total investments	<u><u>\$ 250,115</u></u>	<u><u>\$ 204,390</u></u>	<u><u>\$ 45,725</u></u>

Investment Maturities In Years			
As of June 30, 2023			
(Dollars in Thousands)			
Investment Type	Fair Value	Less than 1	1 to 5
Investments measured at fair value:			
Corporate bonds	\$ 29,487	\$ 8,759	\$ 20,728
Federal agency securities	32,911	9,917	22,994
Money market fund	154	154	-
	<u>62,552</u>	<u>18,830</u>	<u>43,722</u>
Local government investment pool	<u>123,881</u>	<u>123,881</u>	<u>-</u>
Total investments	<u><u>\$ 186,433</u></u>	<u><u>\$ 142,711</u></u>	<u><u>\$ 43,722</u></u>



2. CASH WITH TREASURER, CASH AND CASH EQUIVALENTS, INVESTMENTS AND RESTRICTED ASSETS (Cont.)

Investment Custodial Credit Risk - The University's investment securities are exposed to custodial credit risk if the securities are (i) uninsured, (ii) not registered in the name of the University or (iii) held by either the counterparty or the counterparty's trust department or agent but not in the University's name.

While none of the University's investments are insured, the University's investments are either held in the University's name or the investments are not securities that exist in book entry or physical form.

Fair Value Measurement – The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.





2. CASH WITH TREASURER, CASH AND CASH EQUIVALENTS, INVESTMENTS AND RESTRICTED ASSETS (Cont.)

The University has the following recurring fair value measurements as of June 30, 2024:

Fair Value Measurement As of June 30, 2024 (Dollars in Thousands)		
Investment Type	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)
Investments measured at fair value:		
Corporate bonds	\$ 30,079	\$ 30,079
Federal agency securities	31,566	31,566
Money market fund	1,223	1,223
	<u>62,868</u>	<u>\$ 62,868</u>
Local government investment pool	<u>187,247</u>	
Total investments measured at fair value	<u>\$ 250,115</u>	

Fair Value Measurement As of June 30, 2023 (Dollars in Thousands)		
Investment Type	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)
Investments measured at fair value:		
Corporate bonds	\$ 29,487	\$ 29,487
Federal agency securities	32,911	32,911
Money market fund	154	154
	<u>62,552</u>	<u>\$ 62,552</u>
Local government investment pool	<u>123,881</u>	
Total investments measured at fair value	<u>\$ 186,433</u>	

The Idaho State Treasurer and State of Idaho deposits do not meet the criteria of GASB Statement No. 72 and are exempt from the level categories.



3. ACCOUNTS RECEIVABLE AND UNBILLED CHARGES, NET

Accounts receivable and unbilled charges refer to the portion due to the University, as of June 30, 2024 and 2023, by various customers, students and constituencies of the University as a result of providing services to said groups. Amounts due to the University are reviewed on a quarterly basis for collectability. The allowances for doubtful accounts are based upon management's best estimate of uncollectible accounts at June 30, 2024 and 2023.

Accounts Receivable and Unbilled Charges, Net		
As of June 30,		
(Dollars in Thousands)		
	2024	2023
Student fees and third party receivables	\$ 14,778	\$ 9,287
Unbilled charges	11,373	9,755
Auxiliary enterprises and other operating activities	8,934	16,237
Federal, state and private grants and contracts	4,958	4,473
Accounts receivable and unbilled charges	40,043	39,752
Less allowance for doubtful accounts	(2,513)	(2,219)
Accounts receivable and unbilled charges, net	\$ 37,530	\$ 37,533





4. STUDENT LOANS RECEIVABLE

Student loans that were made through the Federal Perkins Loan Program (the Program) comprise substantially all of the student loan receivable as of June 30, 2024 and 2023. The University outsources the loan servicing to a third-party vendor. After Congress did not renew the Program in September 2017, the University elected to continue to collect on the loans and return the portion of the amount collected due to the U.S. Department of Education (ED) on an annual basis. An accrued liability has been established for the amount due to the ED. An allowance has been established for the University's portion of the loans that have been deemed uncollectible.

Student Loans Receivable, Net		
As of June 30,		
(Dollars in Thousands)		
	2024	2023
Student loans receivable - current	\$ 1,172	\$ 1,123
Student loans receivable - non-current	540	1,407
Student loans receivable	1,712	2,530
Less allowance for doubtful accounts	(32)	(166)
Student loans receivable, net	\$ 1,680	\$ 2,364



**5. CAPITAL ASSETS, NET**

Following are the changes in capital assets for the fiscal year ended June 30, 2024:

Changes in Capital Assets					
As of June 30, 2024					
(Dollars in Thousands)					
	Balance				Balance
	June 30, 2023	Additions	Transfers	Retirements	June 30, 2024
Capital assets not being depreciated					
Land	\$ 80,243	\$ 156	\$ 236	\$ -	\$ 80,635
Construction in progress	7,667	21,477	(1,045)	-	28,099
Total assets not being depreciated	\$ 87,910	\$ 21,633	\$ (809)	\$ -	\$ 108,734
Other capital assets					
Buildings and improvements	\$ 777,873	\$ 6,323	\$ 137	\$ (1,585)	\$ 782,748
Furniture and equipment	92,806	9,410	672	(3,735)	99,153
Library materials	27,496	1,637	-	(2,758)	26,375
Intangibles	12,354	-	-	-	12,354
IT subscriptions	6,753	3,566	-	(1,335)	8,984
Leased buildings	7,827	180	-	(527)	7,480
Total other capital assets	925,109	21,116	809	(9,940)	937,094
Less accumulated depreciation and amortization					
Buildings and improvements	(327,275)	(20,114)	-	1,074	(346,315)
Furniture and equipment	(71,935)	(5,546)	-	3,645	(73,836)
Library materials	(20,352)	(1,445)	-	2,438	(19,359)
Intangibles	(11,797)	(68)	-	-	(11,865)
IT subscriptions	(2,802)	(2,768)	-	1,334	(4,236)
Leased buildings	(1,053)	(512)	-	528	(1,037)
Total accumulated depreciation and amortization	(435,214)	(30,453)	-	9,019	(456,648)
Other capital assets, net	\$ 489,895	\$ (9,337)	\$ 809	\$ (921)	\$ 480,446
Capital assets summary					
Capital assets not being depreciated	\$ 87,910	\$ 21,603	\$ (779)	\$ -	\$ 108,734
Other capital assets at cost	925,109	21,146	779	(9,940)	937,094
Total cost of capital assets	1,013,019	42,749	-	(9,940)	1,045,828
Less accumulated depreciation and amortization	(435,214)	(30,453)	-	9,019	(456,648)
Capital assets, net	\$ 577,805	\$ 12,296	\$ -	\$ (921)	\$ 589,180

In addition to accounts payable for construction costs, the estimated cost to complete property authorized or under construction at June 30, 2024 is \$66,732,819. These costs will be funded by 2023A bond proceeds, private donations, state donations and available reserves.

**5. CAPITAL ASSETS, NET (cont.)**

Following are the changes in capital assets for the fiscal year ended June 30, 2023:

Changes in Capital Assets						
As of June 30, 2023						
(Dollars in Thousands)						
	Balance				Balance	
	June 30, 2022 Restated	Additions	Transfers	Retirements	June 30, 2023	
Capital assets not being depreciated						
Land	\$ 80,251	\$ -	\$ (8)	\$ -	\$ 80,243	
Construction in progress	1,139	6,684	(156)	-	7,667	
Total assets not being depreciated	\$ 127,823	\$ 6,684	\$ (164)	\$ -	\$ 87,910	
Other capital assets						
Buildings and improvements	\$ 777,229	\$ 480	\$ 164	\$ -	\$ 777,873	
Furniture and equipment	92,203	6,183	-	(5,580)	92,806	
Library materials	28,673	1,519	-	(2,696)	27,496	
Intangibles	12,793	30	-	(469)	12,354	
Misc intangibles	137	-	-	(137)	-	
IT subscriptions	4,862	1,891	-	-	6,753	
Leased buildings	7,827	-	-	-	7,827	
Total other capital assets	923,724	10,103	164	(8,882)	925,109	
Less accumulated depreciation						
Buildings and improvements	(306,989)	(20,286)	-	-	(327,275)	
Furniture and equipment	(71,778)	(5,202)	-	5,045	(71,935)	
Library materials	(21,259)	(1,459)	-	2,366	(20,352)	
Intangibles	(12,168)	(98)	-	469	(11,797)	
Misc intangibles	(137)	-	-	137	-	
IT subscriptions	(1,231)	(1,571)	-	-	(2,802)	
Leased buildings	(513)	(540)	-	-	(1,053)	
Total accumulated depreciation	(414,075)	(29,156)	-	8,017	(435,214)	
Other capital assets, net	\$ 458,116	\$ (19,053)	\$ 164	\$ (865)	\$ 489,895	
Capital assets summary						
Capital assets not being depreciated	\$ 81,390	\$ 6,684	\$ (164)	\$ -	\$ 87,910	
Other capital assets at cost	923,724	10,103	164	(8,882)	925,109	
Total cost of capital assets	1,005,114	16,787	-	(8,882)	1,013,019	
Less accumulated depreciation	(414,075)	(29,156)	-	8,017	(435,214)	
Capital assets, net	\$ 591,039	\$ (12,369)	\$ -	\$ (865)	\$ 577,805	



6. DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

Deferred Outflows of Resources - Following are the changes in deferred outflows related to refunding of debt (representing the difference between the reacquisition price and the net carrying amount of the original debt) as well as changes related to pensions, Idaho Sick Leave Insurance Reserve Fund (SLIRF) and other post-employment benefits for the years ended June 30, 2024 and 2023.

Deferred Outflows of Resources As of June 30, 2024 (Dollars in Thousands)				
Deferred outflows of resources	Ending Balance June 30, 2023	Additions	Reductions	Ending Balance June 30, 2024
Deferred outflows of resources related to refunding of debt:				
2004-2012A Bond Refunding	\$ 597	\$ -	\$ (61)	\$ 536
2005-2013A Bond Refunding	261	-	(27)	234
2007A-2015A Bond Refunding	419	-	(31)	388
2007A-2016A Bond Refunding	1,458	-	(106)	1,352
2009A-2016A Bond Refunding	1,260	-	(149)	1,111
2010B-2020A Bond Refunding	2	-	-	2
2012A-2020B Bond Refunding	471	-	(25)	446
2013A-2020B Bond Refunding	516	-	(53)	463
Total deferred outflows of resources related to refunding of debt	4,984	-	(452)	4,532
Deferred outflows of resources related to pensions	21,164	7,172	(10,700)	17,636
Deferred outflows of resources related to other post-employment benefits	9,262	702	(2,790)	7,174
Deferred outflows of resources related to Idaho Sick Leave Insurance Reserve Fund	4,471	784	(1,316)	3,939
Total deferred outflows of resources	\$ 39,881	\$ 8,658	\$ (15,258)	\$ 33,281

Deferred Outflows of Resources As of June 30, 2023 (Dollars in Thousands)				
Deferred outflows of resources	Ending Balance June 30, 2022	Additions	Reductions	Ending Balance June 30, 2023
Deferred outflows of resources related to refunding of debt:				
2004-2012A Bond Refunding	\$ 658	\$ -	\$ (61)	\$ 597
2005-2013A Bond Refunding	288	-	(26)	262
2005-2013B Bond Refunding	46	-	(46)	-
2007A-2015A Bond Refunding	449	-	(30)	419
2007A-2016A Bond Refunding	1,564	-	(106)	1,458
2009A-2016A Bond Refunding	1,409	-	(149)	1,260
2010B-2020A Bond Refunding	1	-	(1)	-
2012A-2020B Bond Refunding	497	-	(25)	472
2013A-2020B Bond Refunding	569	-	(53)	516
Total deferred outflows of resources related to refunding of debt	5,481	-	(497)	4,984
Deferred outflows of resources related to pensions	12,200	14,874	(5,910)	21,164
Deferred outflows of resources related to other post-employment benefits	9,346	2,096	(2,180)	9,262
Deferred outflows of resources related to Idaho Sick Leave Insurance Reserve Fund	1,249	3,392	(170)	4,471
Total deferred outflows of resources	\$ 28,276	\$ 20,362	\$ (8,757)	\$ 39,881



6. DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES (Cont.)

Deferred Inflows of Resources – Following are changes in deferred inflows of resources which includes grant and contract revenue received for which all eligibility requirements have been met except for the passage of time, deferred inflows related to service concession arrangements as well as deferred inflows of resources related to pensions, SLIRF, other post-employment benefits and leases for the years ended June 30, 2024 and 2023.

Deferred Inflows of Resources As of June 30, 2024 (Dollars in Thousands)				
	Ending Balance			Ending Balance
Deferred inflows of resources	June 30, 2023	Additions	Reductions	June 30, 2024
Deferred inflows of resources related to grants	\$ 669	\$ 2,419	\$ (2,590)	\$ 498
Deferred inflows of resources related to pensions	952		(499)	453
Deferred inflows of resources related to service concession arrangements	38,127		(865)	37,262
Deferred inflows of resources related to other post-employment benefits	11,853	1,646	(2,367)	11,132
Deferred inflows of resources related to Idaho Sick Leave Insurance Reserve Fund	3,439		(792)	2,647
Deferred inflows related to leases	6,083	1,231	(1,518)	5,796
Total deferred inflows of resources	\$ 61,123	\$ 5,296	\$ (8,631)	\$ 57,788

Deferred Inflows of Resources As of June 30, 2023 (Dollars in Thousands)				
	Ending Balance			Ending Balance
Deferred inflows of resources	June 30, 2022	Additions	Reductions	June 30, 2023
Deferred inflows of resources related to grants	\$ 402	\$ 2,418	\$ (2,151)	\$ 669
Deferred inflows of resources related to pensions	21,740	-	(20,788)	952
Deferred inflows of resources related to service concession arrangements	38,992	649	(1,514)	38,127
Deferred inflows of resources related to other post-employment benefits	5,424	7,238	(809)	11,853
Deferred inflows of resources related to Idaho Sick Leave Insurance Reserve Fund	7,386	1,087	(5,034)	3,439
Deferred inflows related to leases	4,192	4,870	(2,979)	6,083
Total deferred inflows of resources	\$ 78,136	\$ 16,262	\$ (33,275)	\$ 61,123



6. DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES (Cont.)

Service Concession Arrangement – The University entered into a public/private partnership agreement with Greystar Real Estate Partners, LLC (formerly Education Realty Trust) in 2015 to develop and operate a residential Honors College and Sawtooth Hall, a freshman housing facility. The \$37 million project was funded with developer equity and is on land owned by the University and leased to Greystar for a 50-year term. At the conclusion of the agreement, the building reverts to the University. Greystar pays fixed annual rent and a share of the project's gross rental revenue to the University. Greystar is responsible for the daily operations and maintenance of the facility and the University is responsible for campus life programming. The 236,000 square foot facility includes 656 beds, Honors College offices and classrooms, student common areas and an approximately 15,000 square foot food service facility. The table below displays the current capital asset, lease receivable and deferred inflow of resources for the years ended June 30, 2024 and 2023.

Value of Assets and Deferred Inflows Related to the Honors College			
As of June 30, 2024			
(Dollars in Thousands)			
	Capital Asset	Lease Receivable	Deferred Inflow of Resources
Honors College and Sawtooth Hall, net of depreciation	\$ 30,508		
Receivable for ground lease		\$ 8,633	
Deferred inflows of resources			\$ 37,262

Value of Assets and Deferred Inflows Related to the Honors College			
As of June 30, 2023			
(Dollars in Thousands)			
	Capital Asset	Lease Receivable	Deferred Inflow of Resources
Honors College and Sawtooth Hall, net of depreciation	\$ 31,428		
Receivable for ground lease		\$ 8,833	
Deferred inflows of resources			\$ 38,127



7. UNEARNED REVENUE

Unearned Revenue - Unearned revenue includes amounts received for event ticket sales for which the event has not occurred as of the end of the fiscal year, auxiliary enterprise revenue, student tuition and fees, grant and contract revenue not meeting eligibility requirements and other amounts received prior to the end of the fiscal year that will be earned in subsequent years. Student tuition and fees represent the portion of summer school revenues related to the number of days of instruction in the subsequent fiscal year and prepaid future semester fees.

Unearned Revenue As of June 30, (Dollars in Thousands)		
	2024	2023
Student tuition and fees	\$ 7,954	\$ 5,877
Prepaid ticket sales and auxiliary enterprises	10,288	11,119
Grants and contracts	3,145	2,541
Other unearned revenue	5,185	3,189
Total unearned revenue	\$ 26,572	\$ 22,726





8. BONDS AND NOTES PAYABLE

The University issues bonds to finance a portion of the construction of research, academic, administrative and auxiliary facilities. The University is required by bonding resolution to establish a rebate fund to be held and administered by the University, separate and apart from other funds and accounts of the University. The University shall make deposits into the rebate fund of all amounts necessary to make payments of arbitrage due to the United States. The University had no arbitrage liability as of June 30, 2024 and 2023. Management believes the University is in compliance with all bond covenants as of June 30, 2024 and 2023.

Bonds Roll forward – as of June 30, 2024 and 2023:

Bond Roll Forward As of June 30, 2024 (Dollars in Thousands)					
	Ending Balance June 30, 2023	Additions	Reductions	Ending Balance June 30, 2024	Amounts Due Within One Year
Bonds and premiums					
Bonds payable	\$ 198,430	\$ 43,495	\$ (9,015)	\$ 232,910	\$ 9,740
Premium on bonds	12,000	2,936	(2,075)	12,861	-
Total bonds and bond premiums	<u>\$ 210,430</u>	<u>\$ 46,431</u>	<u>\$ (11,090)</u>	<u>\$ 245,771</u>	<u>\$ 9,740</u>

Bond Roll Forward As of June 30, 2023 (Dollars in Thousands)					
	Ending Balance June 30, 2022	Additions	Reductions	Ending Balance June 30, 2023	Amounts Due Within One Year
Bonds and premiums					
Bonds payable	\$ 208,660	\$ -	\$ (10,230)	\$ 198,430	\$ 8,645
Premium on bonds	14,151	-	(2,151)	12,000	-
Total bonds and bond premiums	<u>\$ 222,811</u>	<u>\$ -</u>	<u>\$ (12,381)</u>	<u>\$ 210,430</u>	<u>\$ 8,645</u>



8. BONDS AND NOTES PAYABLE (Cont.)

Bonds Payable – Principal and interest maturities as of June 30, 2024 and 2023:

Bonds Payable As of June 30, 2024 (Dollars in Thousands)							
Bond issue	Original Face Value	Range of Annual Principal Amounts	Range of Semi-Annual Interest Percentages	Original Maturity Date	Outstanding Balance 2024	Outstanding Balance 2023	
General Revenue Bonds, Series 2023A	\$43,495	\$370-\$2,715	4.25%-5.25%	2053	\$ 43,125	\$ -	
General Revenue Bonds, Series 2020A	\$9,940	\$330-\$665	3.00%-5.00%	2040	8,525	8,900	
General Revenue Bonds, Series 2020B	\$44,550	\$455-\$2,100	1.67%-5.00%	2050	39,985	41,830	
General Revenue Bonds, Series 2018A	\$18,465	\$330-\$895	1.53%-3.78%	2048	14,030	14,860	
General Revenue Bonds, Series 2017A	\$67,860	\$640-\$4,525	2.00%-5.00%	2047	54,335	56,345	
General Revenue Bonds, Series 2016A	\$66,145	\$930-\$5,470	3.00%-5.00%	2039	49,985	51,780	
General Revenue Bonds, Series 2015A	\$31,210	\$700-\$2,280	2.00%-5.00%	2037	22,925	24,715	
Bonds before premium					232,910	198,430	
Premium on bonds					12,861	12,000	
Total bonds outstanding					\$ 245,771	\$ 210,430	

Bonds Payable – Principal and interest maturities as of June 30, 2024 are as follows:

Bond Principal and Interest As of June 30, 2024 (Dollars in Thousands)			
	Principal	Interest	Total
2025	\$ 9,740	\$ 10,130	\$ 19,870
2026	9,640	9,662	19,302
2027	10,045	9,246	19,291
2028	10,465	8,818	19,283
2029	10,885	8,403	19,288
2030-2034	62,650	33,961	96,611
2035-2039	59,080	19,404	78,484
2040-2044	25,805	11,403	37,208
2045-2049	23,405	5,845	29,250
2050-2054	11,195	1,392	12,587
Total	\$ 232,910	\$ 118,264	\$ 351,174



8. BONDS AND NOTES PAYABLE (Cont.)

Extinguished Debt – As of June 30, 2024, there is no defeased liability outstanding.

Pledged Revenue – The University has pledged certain revenues as collateral for bonds payable. The pledged revenue amounts and coverage requirements are as follows:

Pledged Revenues	
As of June 30, 2024	
<i>(Dollars in Thousands)</i>	
Pledged revenues	
Student fees	\$ 233,692
Rentals	19,418
Residence dining income	9,571
Other	1,937
Sales and service	73,267
Finance and administrative cost recovery	12,208
Investment income	<u>12,228</u>
Total pledged revenue	362,321
Less operations and maintenance	<u>(116,614)</u>
Pledged revenues, net	<u>\$ 245,707</u>
Annual debt service	<u>\$ 18,590</u>
Debt service coverage	1322%
Coverage requirement	110%



9. LEASES AND OTHER ARRANGEMENTS

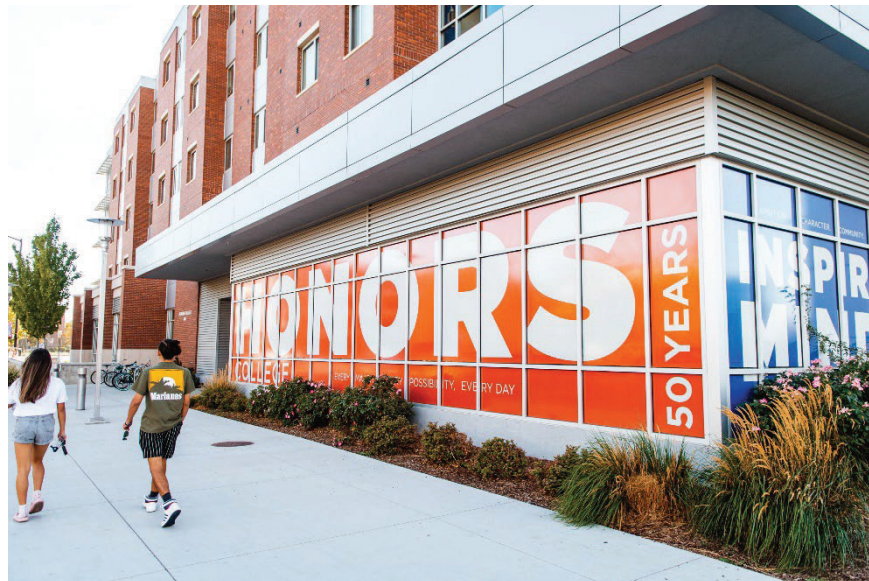
Lessor – Leases Receivable

The University’s lease receivable is measured at the present value of lease payments expected to be received during the lease terms. Under some lease agreements, the University may receive variable lease payments that are dependent upon the lessee’s revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for applicable leases at the initiation of the leases in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the leases.

Total future minimum lease payments to be received under lease agreements are as follows; principal amounts reported in 2024 includes \$137 thousand of undistributed lease receipts from the property manager.

	Principal	Interest	Total
2025	\$ 1,371	\$ 109	\$ 1,480
2026	893	92	985
2027	767	76	843
2028	791	61	852
2029	532	46	578
Thereafter	1,763	68	1,831
Total minimum lease receipts	\$ 6,117	\$ 452	\$ 6,569





9. LEASES AND OTHER ARRANGEMENTS (Cont.)

Service Concession Arrangement (SCA) – Receivable

In 2015, the University entered into a public/private partnership agreement with Greystar Real Estate Partners, LLC to develop and operate a residential Honors College and Sawtooth Hall, a freshman housing facility. The project is on land owned by the University and leased to Greystar for a 50-year term. The University receives annual lease payments in the base year amount of \$200,000 and escalates annually by an amount equal to Consumer Price Index (CPI), All Urban Consumers, All Items and West Region. The University assumes 4% annual increase in CPI for the 50-year term of this agreement based on the rounded average CPI increase over the preceding 50 years.

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

Future Minimum Lease Payments To Be Received Under SCA Lease Agreements As of June 30, 2024 (Dollars in Thousands)		
Year		
2025	\$	200
2026		200
2027		200
2028		200
2029		200
Thereafter		7,633
Total minimum SCA lease receipts	\$	8,633



9. LEASES AND OTHER ARRANGEMENTS (Cont.)

Lessee – Leases Liability

The University leases certain office facilities for various terms under long-term, non-cancelable lease agreements with interest rates ranging from .59% to 3.50%. The leases expire at various dates through 2067.

Leases Roll forward:

Lease Payable Roll Forward (Dollars in Thousands)					
	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts due within one year
Leases					
Leases payable	\$ 6,984	\$ 180	\$ (311)	\$ 6,853	\$ 422
Total leases payable	<u>\$ 6,984</u>	<u>\$ 180</u>	<u>\$ (311)</u>	<u>\$ 6,853</u>	<u>\$ 422</u>

Lease Payable Roll Forward (Dollars in Thousands)					
	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Amounts due within one year
Leases					
Leases payable	\$ 7,323	\$ -	\$ (339)	\$ 6,984	\$ 444
Total leases payable	<u>\$ 7,323</u>	<u>\$ -</u>	<u>\$ (339)</u>	<u>\$ 6,984</u>	<u>\$ 444</u>

Leases Payable – Total future minimum lease payments under lease agreements are as follows:

Future Minimum Lease Payments Under Lease Agreements (Dollars in Thousands)			
	Principal	Interest	Total
2025	\$ 422	\$ 174	\$ 596
2026	113	177	290
2027	23	181	204
2028	-	187	187
2029	-	192	192
2030 - 2034	-	1,052	1,052
2035 - 2039	-	1,220	1,220
2040 - 2044	-	1,414	1,414
2045 - 2049	451	1,188	1,639
2050 - 2054	912	988	1,900
2055 - 2059	1,407	795	2,202
2060 - 2064	2,047	507	2,554
2065 - 2068	1,478	115	1,593
Total minimum lease payments	<u>\$ 6,853</u>	<u>\$ 8,190</u>	<u>\$ 15,043</u>



9. LEASES AND OTHER ARRANGEMENTS (Cont.)

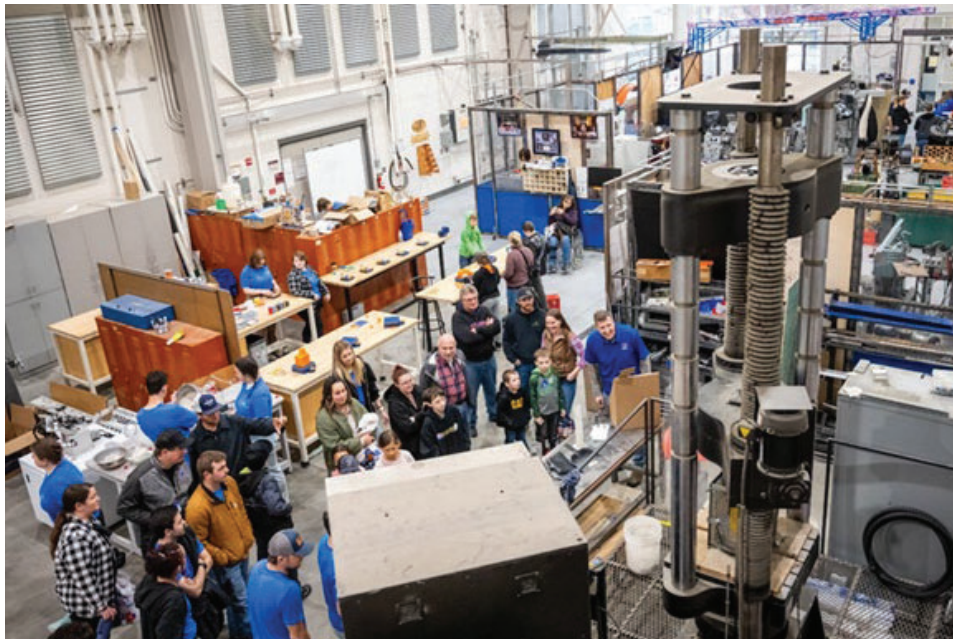
In January 2023, the University signed a five-year agreement to lease a student housing facility which would accommodate 278 residents. The premises were not in existence upon signing and the agreement required the lessor to construct the facility. The facility has now been completed and as of August 1, 2024, “the Commencement Date”, Boise State became responsible for lease payments with an initial annual rent of \$3,100,000. Rent will increase by 3% each year thereafter and will be covered by income generated from the facility's operations.

Subscription-Based Information Technology Arrangements

For the year ended June 30, 2023, the University adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The primary objective of this statement is to establish uniform guidance for accounting and financial reporting for transactions that meet the definition of a SBITA as well as greater consistency in practice.

This statement establishes that SBITAs are contracts that convey control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this statement, a government is required to recognize an intangible right-to-use subscription asset and a corresponding subscription liability. Intangible subscription assets and liabilities are recorded based on the present value of expected payments over the terms of the contract.

The University is under contract with vendors that provide IT software for various terms under long-term, non-cancelable contracts with interest rates ranging from 0.31% to 3.38%. The contracts expire at various dates through 2029.





9. LEASES AND OTHER ARRANGEMENTS (Cont.)

SBITA Roll forward – as of June 30, 2024:

IT Subscriptions Roll Forward (Dollars in Thousands)					
	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Amounts Due Within One Year
IT subscriptions					
IT subscriptions payable	\$ 4,185	\$ 3,450	\$ (4,103)	\$ 3,532	\$ 2,482
Total IT subscriptions payable	<u>\$ 4,185</u>	<u>\$ 3,450</u>	<u>\$ (4,103)</u>	<u>\$ 3,532</u>	<u>\$ 2,482</u>

IT Subscriptions Roll Forward (Dollars in Thousands)					
	Balance June 30, 2022-restated	Additions	Reductions	Balance June 30, 2023	Amounts Due Within One Year
IT subscriptions					
IT subscriptions payable	\$ 3,736	\$ 1,891	\$ (1,442)	\$ 4,185	\$ 1,867
Total IT subscriptions payable	<u>\$ 3,736</u>	<u>\$ 1,891</u>	<u>\$ (1,442)</u>	<u>\$ 4,185</u>	<u>\$ 1,867</u>

SBITA Payable – Total future minimum SBITA payments under contract are as follows:

Future Minimum IT Subscription Payments (Dollars in Thousands)			
	Principal	Interest	Total
2025	\$ 2,482	\$ 49	\$ 2,531
2026	351	24	375
2027	413	10	423
2028	244	6	250
2029	42	2	44
Total minimum IT subscription payments	<u>\$ 3,532</u>	<u>\$ 91</u>	<u>\$ 3,623</u>



10. PENSION PLANS

Public Employee Retirement System of Idaho – Boise State University contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan.

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 10 years of service and that three members who are Idaho citizens not be members of the Base Plan except by reason of having served on the Board.

Membership data related to the PERSI Base Plan as of June 30, 2023 and June 30, 2022 were as follows:

PERSI Base Plan Participants	2023	2022
Active participants	76,668	74,409
Retirees and beneficiaries	54,680	53,190
Terminated and vested employees	16,106	15,489
Terminated and non-vested employees	35,968	34,714

Relationship Between Measurement Date and Reporting Date – The measurement date is the date as of which the pension liability is determined. The reporting date is the employer's fiscal year ending date. The University's reporting date of June 30, 2024 and June 30, 2023 uses PERSI's measurement date of June 30, 2023 and June 30, 2022, respectively.

Pension Benefits – The Base Plan provides retirement, disability and 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 (five 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% 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.



10. PENSION PLANS (Cont.)

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.

Employee contribution rates are mandated by state statute at 60% of the employer rate. For the fiscal year ended June 30, 2023, the employee rate was 7.16% percent of annual pay, while the employer contribution rate, set by the Retirement Board, was 11.94% of covered compensation. For the fiscal year ended June 30, 2024, these rates adjusted to 6.71% for employees and 11.18% for employers, respectively. The University’s contributions totaled \$4,396,274 for the fiscal year ended June 30, 2023 and \$4,352,210 for the fiscal year ended June 30, 2024.

Pension Liabilities (Assets), Pension Expenses (Revenues), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – On June 30, 2024 and June 30, 2023, the University reported a liability (asset) of \$34,557,468 and \$32,806,281, respectively for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023 and 2022, respectively and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The University’s proportion of the net pension liability (asset) was based on the share of contributions by the University in the Base Plan relative to the total contributions of all participating PERSI Base Plan employers. The University’s proportionate share was 0.866%, 0.833% and 0.809% for plan year’s 2023, 2022 and 2021 respectively.





10. PENSION PLANS (Cont.)

For the years ended June 30, 2024 and 2023, respectively, the University recognized pension expense of \$9,132,542 and \$8,088,673. On June 30, 2024 and 2023, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Sources of Deferrals As of June 30, 2024 (Dollars in Thousands)		
	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 5,923	\$ -
Changes in assumptions or other inputs	3,422	-
Aggregated difference between projected and actual earnings on pension plan investments	3,244	-
Changes in the employer's proportion and the difference between the employer's contributions and the employer's proportionate contributions	695	453
	<u>13,284</u>	<u>453</u>
The University contributions subsequent to the measurement date	4,352	-
Total	<u>\$ 17,636</u>	<u>\$ 453</u>

Sources of Deferrals As of June 30, 2023 (Dollars in Thousands)		
	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 3,607	\$ 146
Changes in assumptions or other inputs	5,348	-
Aggregated difference between projected and actual earnings on pension plan investments	7,548	-
Changes in the employer's proportion and the difference between the employer's contributions and the employer's proportionate contributions	265	806
	<u>16,768</u>	<u>952</u>
The University contributions subsequent to the measurement date	4,396	-
Total	<u>\$ 21,164</u>	<u>\$ 952</u>

The University reported \$4,352,210 as deferred outflows of resources related to pensions resulting from current year employer contributions recorded after the measurement date and these contributions will be recognized as a reduction of the net pension liability in the year ending June 30, 2025.



10. PENSION PLANS (Cont.)

The amortization period is based on the remaining expected service lives of all employees that are provided with pensions through the System determined at the beginning of the measurement period. The amortization period was calculated at 4.4 years and 4.6 years for the Base Plan’s fiscal year 2023 and fiscal year 2022, respectively. The net difference between projected and actual investment earnings is amortized over a closed five-year period including the Base Plan’s fiscal year 2023.

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

Expense (Revenue)	
As of June 30, 2024	
<i>(Dollars in Thousands)</i>	
2025	\$ 4,412
2026	2,159
2027	6,737
2028	(477)
2029	-
Total	<u>\$ 12,831</u>

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 payrolls. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code is 25 years.



10. PENSION PLANS (Cont.)

The total pension liability in the June 30, 2023 and 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions Valuation As of June 30,		
	2023	2022
Inflation	2.30%	2.30%
Salary increases including inflation	3.05%	3.05%
Investment rate of return, net of investment expenses	6.35%	6.35%
Cost-of-living adjustments (COLA)	1.00%	1.00%

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

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

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



10. PENSION PLANS (Cont.)

Assumptions and Policy for Asset Allocation - Base Plan Fiscal Year 2023		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large cap	18%	4.50%
Small/Mid cap	11%	4.70%
International equity	15%	4.50%
Emerging markets equity	10%	4.90%
Domestic fixed	20%	-0.25%
TIPS	10%	-0.30%
Real estate	8%	3.75%
Private equity	8%	6.00%

Assumptions and Policy for Asset Allocation - Base Plan Fiscal Year 2022		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0%	0.00%
Large cap	18%	4.50%
Small/Mid cap	11%	4.70%
International equity	15%	4.50%
Emerging markets equity	10%	4.90%
Domestic fixed	20%	-0.25%
TIPS	10%	-0.30%
Real estate	8%	3.75%
Private equity	8%	6.00%

Discount Rate – The discount rate used to measure the total pension liability was 6.35% for both June 30, 2023 and 2022 respectively. 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 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 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.



10. PENSION PLANS (Cont.)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the employer's proportionate share of the net pension liability (asset) calculated using the applicable fiscal year discount rate, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Sensitivity Analysis As of June 30, 2024 (Dollars in Thousands)				
	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)	
Employer's proportionate share of the net pension liability (asset)	\$ 62,153	\$ 34,557	\$ 12,003	

Sensitivity Analysis As of June 30, 2023 (Dollars in Thousands)				
	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)	
Employer's proportionate share of the net pension liability (asset)	\$ 57,900	\$ 32,806	\$ 12,268	

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the Pension Plan – At June 30, 2024, the University reported payables to the defined benefit pension plan of \$177,725 for legally required employer contributions and \$108,403 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

At June 30, 2023, the University reported payables to the defined benefit pension plan of \$187,784 for legally required employer contributions and \$113,461 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Summary of State Plans – The Department of Administration (DAS) administers postemployment benefits (OPEB) for healthcare, disability and life insurance for retired or disabled employees of state agencies, public health districts, community colleges and other political subdivisions that participate in the plans. The Retiree Healthcare and Long-Term Disability plans are reported as multiple-employer defined benefit plans. The Retiree Life Insurance plan is a single-employer defined benefit plan. Idaho Code Sections 67-5760 to 67-5768 and 72-1335 establish the benefits and contribution obligations. The plans do not issue publicly available financial reports. The most recent actuarial valuation is as of July 1, 2022. No assets are administered through and accumulated in an irrevocable trust; these benefits are funded on a pay-as-you-go basis. The costs of administering the plans are financed by a surcharge to employers on all active employees of \$0.06 and \$0.05 per person per month respectively for plan years 2023 and 2022. This rate is reviewed annually.

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

OPEB Plans Administered by DAS

Details of the plans can be found in the Comprehensive Annual Report of the State of Idaho, which may be obtained from the Office of the Idaho State Controller, 700 West State Street, 4th Floor, P.O. Box 83720, Boise, ID 83720-0011, www.sco.idaho.gov.

At June 30, 2023 and June 30, 2022 the number of participating employers and the classes of employees covered by the DAS administered plans are as follows:

Classes of Employees and Number of Participating Employers			
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance
Active employees	6,605	21,666	5,336
Retiree and dependents	654	10	1,649
Number of participating employers	27	27	2

Classes of Employees and Number of Participating Employers			
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance
Active employees	6,089	20,041	5,680
Retiree and dependents	549	18	1,432
Terminated, vested employees	-	-	116
Number of participating employers	25	25	2



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Plan Descriptions and Funding Policy

Retiree Healthcare Plan - A retired officer or employee of the University who receives monthly retirement benefits from PERSI may elect to purchase retiree health insurance coverage for themselves and eligible dependents. Additionally, the retiree must be under age 65, receiving monthly PERSI benefits at the time of retirement and must have 10 or more years (20,800 or more hours) of credited service. An officer or employee must have been an active employee on or before June 30, 2009 and must retire directly from state service. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the employer and active employee plan. The benefit is at least \$1,860 per retiree per year. In plan year 2023, employers were charged \$8.06 per active employee per month towards the retiree premium cost, or 25.3% of the total cost of the retiree plan, compared to \$8.16 per active employee per month or 19.1% of the total cost of the retiree plan in plan year 2022.

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

For up to six months following the date of disability, an employee may continue healthcare coverage under this plan. The employer's share of the premium is paid from the Office of Group Insurance reserve. The employee is required to pay the normal active employee contribution to the plan and rate category for which the employee is enrolled. In plan years 2022 and 2023, employers were not charged to fund the reserve, as the medical continuation premiums were paid from the excess reserve.

The plan provides long-term disability income benefits to active employees who become disabled, generally up to a maximum age of 70. The gross benefit equals 60% of monthly pre-disability salary or \$6,000, whichever is less. The benefit does not increase with inflation and may be offset by other disability benefits from Social Security, Workers' Compensation or PERSI. Effective July 1, 2020, employees disabled prior to July 1, 2003 who were included in previous valuations will no longer be included due to a change from self-insured to insured. As of July 1, 2020, all employees have an insured benefit. Premium payments are made before a disabled member's separation from employment. The amount of the contribution is based on active claims and the number of insured individuals.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Principal Life Insurance Company insures employees disabled on or after July 1, 2003 and the obligation for the payment of income benefits has been effectively transferred. The employer pays 100% of the cost of the premiums. This portion of the long-term disability income benefit is not included in the actuarial estimate as this is considered an insured benefit.

The plan also provides basic life insurance and dependent life insurance to disabled employees, generally up to a maximum age of 70. The life insurance benefit amount is generally 100% of annual salary but not less than \$20,000. In addition, the plan provides a \$2,000 life insurance benefit for spouses and a \$1,000 life insurance benefit for dependent children. These benefits do not increase with inflation. Prior to July 1, 2020, the state was self-insured for employees who became disabled prior to July 1, 2012; the employer paid 100% of the cost. Effective July 1, 2020, employees disabled prior to July 1, 2012 who were included in previous valuations will no longer be included due to a change from self-insured to insured. As of July 1, 2020, all employees have an insured benefit. Premium payments are made before a disabled member's separation from employment.

Principal Life Insurance Company insures disabled employees and the obligation for the payment of basic life and dependent life coverage benefits has been effectively transferred. The employer pays 100% of the premiums, which are included in the current-year expense/expenditure amount for long-term disability income insured benefits provided in the previous paragraph.

Retiree Life Insurance Plan - Boise State University provides basic life insurance to certified retired employees. In general, the employee must have completed at least 30 years of credited service, or their age and years of credited service must total at least 80 to qualify for this benefit. Eligible retirees receive basic life insurance coverage equal to 100% of their annual salary at retirement.

Employer payments required and paid as OPEB benefits came due for fiscal year ended June 30:

OPEB Benefit Payments As of June 30, 2024 (Dollars in Thousands)					
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life	Total	
OPEB paid	\$ 246	\$ 14	\$ 515	\$	\$ 775

Relationship Between Valuation Date, Measurement Date and Reporting Date – The last actuarial valuation date is July 1, 2022. This is the date as of which the actuarial valuation is performed. The measurement date is June 30, 2023. This is the date as of which the total OPEB liability is determined. The reporting date is June 30, 2024. This is the employer's fiscal year ending date.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

OPEB Benefit Payments As of June 30, 2023 (Dollars in Thousands)					
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life	Total	
OPEB paid	\$ 254	\$ 23	\$ 433	\$ 710	

Relationship Between Valuation Date, Measurement Date and Reporting Date – The last actuarial valuation date is July 1, 2022. This is the date as of which the actuarial valuation is performed. The measurement date is June 30, 2022. This is the date as of which the total OPEB liability is determined. The reporting date is June 30, 2023. This is the employer's fiscal year ending date.





11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Actuarial Assumptions – The total OPEB liability for the plan as of June 30, 2023, the measurement date, used the actuarial methods and assumption used in the July 1, 2022 valuation. The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Assumptions For Plan Year 2023			
	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan	Retiree Life Insurance Plan
Inflation	2.30%	2.30%	2.30%
Salary Increases	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity
Discount Rate	3.54%	3.54%	3.54%
Healthcare Cost Trend Rates	N/A	5.7% claims from year ending June 30, 2023 to year ending June 30, 2024 grading to an ultimate rate of 3.7% after fiscal year ending June 30, 2023	N/A
Retirees' Share of Benefit- Related Costs	81.9% of projected health insurance premiums for retirees	N/A	N/A



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Actuarial Assumptions – The total OPEB liability for the plan as of June 30, 2022, the measurement date, used the actuarial methods and assumption used in the July 1, 2022 valuation. The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Assumptions For Plan Year 2022			
	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan	Retiree Life Insurance Plan
Inflation	2.20%	2.20%	2.20%
Salary Increases	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity	2.95% general wage growth plus increases due to promotions and longevity
Discount Rate	2.16%	2.16%	2.16%
Healthcare Cost Trend Rates	7.9% claims and 3.9% premiums from year ending June 30, 2021 to year ending June 30, 2022, grading to an ultimate rate of 3.7% for 2075 and later years	7.9% claims and 3.9% premiums from year ending June 30, 2021 to year ending June 30, 2022, grading to an ultimate rate of 3.7% for 2075 and later years	N/A
Retirees' Share of Benefit- Related Costs	69.4% of projected health insurance premiums for retirees	N/A	N/A

Mortality Rates – Mortality rates for the Retiree Healthcare, Long-Term Disability Healthcare and the Retiree Life Insurance plans were based on the Pub-2010 Mortality for Employees, Healthy and Disabled Retirees with generational projection and adjustments.

Discount Rate – The actuary used a discount rate of 3.54% to measure the total OPEB liability. The discount rate was based on the 20-year Bond Buyer Go Index.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Total OPEB Liability, OPEB Expense and Deferrals

Total OPEB Liability – At June 30, 2024 and June 30, 2023, the University reported a liability of \$26 million and \$27 million, respectively for its proportionate share of the total OPEB liability as of the measurement date of June 30, 2023 and 2022. At July 1, 2023 and 2022, the University’s proportionate share of the liability of the collective total OPEB liability for the Retiree Healthcare and Long-Term Disability Plans was 10.9% and 12.6% respectively. At July 1, 2023 and 2022, the University’s proportionate share of the liability is of the collective total OPEB liability for the Retiree Life Insurance Plan was 42.6% and 45.2% respectively.

OPEB Expense – The University recognized the following OPEB expense for the years ended June 30, 2024 and June 30, 2023:

OPEB Expense As of June 30, 2024 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
OPEB expense	\$ 133	\$ (1)	\$ 719	\$ 851

OPEB Expense As of June 30, 2023 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
OPEB expense	\$ 1,665	\$ 34	\$ 5,107	\$ 6,806



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Deferred Outflows Resources Related to OPEB – Economic/demographic (gains)/losses and changes in proportionate share, assumptions or inputs are recognized over the average remaining service life for all active and inactive members. Amounts reported as deferred outflows of resources will be recognized as OPEB expense as follows:

Deferred Outflows As of June 30, 2024 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
Difference in Expected and Actual Experience	\$ 353	\$ 37	\$ 1,110	\$ 1,500
Changes in Assumptions	390	5	4,492	4,887
Change in Proportion	182	17	107	306
	925	59	5,709	6,693
Benefit payments subsequent to the measurement date	162	3	316	481
Total deferred outflows related to OPEB	\$ 1,087	\$ 62	\$ 6,025	\$ 7,174

Deferred Outflows As of June 30, 2023 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
Difference in Expected and Actual Experience	\$ 301	\$ 60	\$ 1,354	\$ 1,715
Changes in Assumptions	776	7	5,727	6,510
Change in Proportion	333	22	128	483
	1,410	89	7,209	8,708
Benefit payments subsequent to the measurement date	244	2	308	554
Total deferred outflows related to OPEB	\$ 1,654	\$ 91	\$ 7,517	\$ 9,262

The \$481 thousand reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as decrease of the total OPEB liability in the year ended June 30, 2025. Economic/demographic (gains)/losses and changes in proportionate share, assumptions or inputs are amortized and recognized as expense/revenue over the average remaining service life of the plan members. Remaining service life ranges between 5.7 and 8.7 years depending on the plan.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Deferred Inflows of Resources Related to OPEB – Economic/demographic (gains)/losses and changes in proportionate share, assumptions or inputs are recognized over the average remaining service life for all active and inactive members. Amounts reported as deferred inflows of resources will be recognized as OPEB contra expense as follows:

Deferred Inflows As of June 30, 2024 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
Difference in Expected and Actual Experience	\$ 639	\$ 9	\$ 1,514	\$ 2,162
Changes in Assumptions	174	56	6,600	6,830
Change in Proportion	342	23	1,775	2,140
Total deferred inflows related to OPEB	\$ 1,155	\$ 88	\$ 9,889	\$ 11,132

Deferred Inflows As of June 30, 2023 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
Difference in Expected and Actual Experience	\$ 1,143	\$ 13	\$ 1,932	\$ 3,088
Changes in Assumptions	485	81	7,542	8,108
Change in Proportion	272	9	376	657
Total deferred inflows related to OPEB	\$ 1,900	\$ 103	\$ 9,850	\$ 11,853

Economic/demographic (gains)/losses and changes in proportionate share, assumptions or inputs are amortized and recognized as expense/revenue over the average remaining service life of the plan members. Remaining service life ranges between 5.7 and 8.7 years depending on the plan.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

These amounts reported above as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB revenue/(expense) as follows:

Revenue (Expense) As of June 30, (Dollars in Thousands)				
Fiscal Year	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan	Retiree Life Insurance Plan	Total
2025	\$ (22)	\$ 1	\$ (521)	\$ (542)
2026	(200)	-	(521)	(721)
2027	16	(7)	(445)	(436)
2028	(23)	(10)	(440)	(473)
2029	(1)	(9)	(507)	(517)
Thereafter	-	(4)	(1,746)	(1,750)
Total	\$ (230)	\$ (29)	\$ (4,180)	\$ (4,439)

*Note that additional future deferred inflows and outflows of resources may impact these numbers.

Discount Rate Sensitivity

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability calculated using the discount rate as well as what the total OPEB liability would be if it were calculated using a discount rate that is a percentage higher or lower than the current rate:

Changes in Discount Rates As of June 30, 2024 (Dollars in Thousands)				
	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan	Retiree Life Insurance Plan	
1% Decrease 2.54%	\$ 834	\$ 117	\$ 31,033	
Discount Rate 3.54%	\$ 807	\$ 113	\$ 25,464	
1% Increase 4.54%	\$ 779	\$ 108	\$ 21,189	



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

Changes in Discount Rates As of June 30, 2023 (Dollars in Thousands)			
	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan	Retiree Life Insurance Plan
1% Decrease 2.54%	\$ 967	\$ 117	\$ 31,952
Discount Rate 3.54%	\$ 939	\$ 112	\$ 26,183
1% Increase 4.54%	\$ 912	\$ 107	\$ 21,757

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability calculated using the healthcare cost trend rates as well as what the total OPEB liability would be if it were calculated using trend rates that are a percentage higher or lower than the current trend rates:

Changes in Healthcare Trend Rates As of June 30, 2024 (Dollars in Thousands)		
	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan
1% Decrease	N/A	\$ 91
Current Trend Rate	N/A	\$ 113
1% Increase	N/A	\$ 135

Changes in Healthcare Trend Rates As of June 30, 2023 (Dollars in Thousands)		
	Retiree Healthcare Plan	Long-Term Disability Healthcare Plan
1% Decrease	N/A	\$ 88
Current Trend Rate	N/A	\$ 112
1% Increase	N/A	\$ 137

Effective July 1, 2023 the retiree healthcare plan will have a \$155 explicit subsidy with no implicit subsidy. The \$155 is not expected to change and therefore the healthcare cost trend sensitivity is no longer applicable.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

OPEB Plan Administered by PERSI

Sick Leave Insurance Reserve Trust Funds

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

The PERSI issues a publicly available financial report that includes financial statements and required supplementary information, which can be found at www.persi.idaho.gov. The PERSI also provides a ‘Schedule of Employer Allocations and Collective OPEB Amounts’ for the SLIRF, which can be found at <https://www.persi.idaho.gov/employers-1/gasb/>.

The SLIRF trust for payment of state employee benefits is governed by Idaho Code Sections 67-5333 and 59-1365. The SLIRF is a fund that exists for the payment of unused sick leave benefits in the form of insurance premiums for state and school district employees who separate from service by reason of retirement. The assets of the two trusts are commingled for investment purposes.

All state government employers are statutorily required to contribute to a sick leave account administered by the PERSI. Employer's contributions are a percentage of payroll collected each pay cycle and are held in trust for future benefits. The state is responsible for any unfunded benefit obligations through contribution rate adjustments. The number of participating employers and membership in the state SLIRF plan as of June 30, is as follows:

Employees and Participating Employers As of June 30,		
	2023	2022
Active	21,701	20,919
Retirees and Beneficiaries	6,502	6,415
Total	28,203	27,334
Number of Participating Employers	14	14



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

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

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

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

Contributions for employers and the net OPEB liability (asset) are recognized on an accrual basis of accounting. Contribution percentages are based on the number of days of paid sick leave earned during the contract year. The PERSI Board approved an 18-month sick leave employer contribution holiday effective January 1, 2020 with an end date of June 30, 2021. In the November 2021 Board Meeting, the PERSI Board extended the rate holiday for employer contributions for state to June 30, 2031. There were no contributions received in the current fiscal year because of the holiday. Employer contributions required and paid were \$0 for the fiscal years ended June 30, 2024 and 2023.

Long-Term Expected Rate of Return and Actuarial Assumptions – The long-term expected rate of return on state OPEB fund investments was determined using the building block approach and a forward-looking model in which best estimates range 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.

For the plan years ended June 30, 2022 and June 30, 2023, the annual money-weighted rate of return on SLIRF investments, net of investment expense was (12.8%) and 8.2%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Even though history provides a valuable perspective for setting the investment return assumption, the PERSI relies primarily on an approach which builds upon the latest capital market assumptions.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

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

Actuarial Assumptions	
Inflation	2.30%
Salary Increases Including Inflation	3.05%
Investment Rate of Return (Net of OPEB plan investment expenses)	5.45%
Healthcare Trend Rate	N/A*

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

The 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.

Net OPEB SLIRF Asset, OPEB Expense and Deferrals – The net OPEB asset for the University was \$22.1 million and \$21.8 million as of June 30, 2024 and June 30, 2023, respectively. The University’s proportionate share of the collective net OPEB asset remained constant at 15% for plan year’s 2023, 2022 and 2021 respectively. The net OPEB asset was determined by an actuarial valuation as of July 1, 2022. Employer proportionate shares were determined utilizing a single-period measure of contributions as of June 30, 2020 as there were no contributions during fiscal year ending June 30, 2022 and it was determined that June 30, 2020 continues to be a reasonable allocation method based on the activity of the fund.

Relationship Between Valuation Date, Measurement Date and Reporting Date – The last actuarial valuation date is July 1, 2022. This is the date as of which the actuarial valuation is performed. The measurement date is June 30, 2023 and 2022. This is the date as of which the OPEB asset is determined. The reporting date is June 30, 2024 and June 30, 2023 respectively. This is the employer’s fiscal year ending date.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

The University recognized a \$518 thousand expense offset and the following deferrals for the fiscal year ended June 30, 2024:

	Sources of Deferrals As of June 30, 2024 (Dollars in Thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 884	\$ 429
Changes in assumptions or other inputs	1,403	1,851
Aggregated difference between projected and actual earnings on plan investments	1,652	-
Changes in the employer's proportion and the difference between the employer's contributions and the employer's proportionate contributions	-	367
	<u>3,939</u>	<u>2,647</u>
The University contributions subsequent to the measurement date	-	-
Total Deferrals	<u>\$ 3,939</u>	<u>\$ 2,647</u>

The University recognized a \$918 thousand expense offset and the following deferrals for the fiscal year ended June 30, 2023:

	Sources of Deferrals As of June 30, 2023 (Dollars in Thousands)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 558	\$ 666
Changes in assumptions or other inputs	945	2,243
Aggregated difference between projected and actual earnings on plan investments	2,968	-
Changes in the employer's proportion and the difference between the employer's contributions and the employer's proportionate contributions	-	530
	<u>4,471</u>	<u>3,439</u>
The University contributions subsequent to the measurement date	-	-
Total Deferrals	<u>\$ 4,471</u>	<u>\$ 3,439</u>

Economic/demographic (gains)/losses and changes in proportionate share, assumptions or inputs are amortized and recognized as expense/revenue over the average remaining service life of the plan members.



11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Cont.)

These amounts reported above as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB revenue as follows:

Revenue As of June 30, (Dollars in Thousands)		
2025	\$	129
2026		(26)
2027		1,225
2028		(308)
2029		117
Thereafter		155
Total	\$	<u>1,292</u>

The Net OPEB SLIRF asset is calculated using a discount rate of 5.45%, which is the expected rate of return on investments reduced by investment expenses.

Sensitivity of the Net OPEB SLIRF Asset to Changes in the Discount Rate – The following presents the University Net OPEB SLIRF asset proportionate share of the fund's employers calculated using the current discount rates as well as what the University's asset would be if it were calculated using a discount rate that is a percentage point higher or lower than the current rate:

Sensitivity Analysis As of June 30, 2024 (Dollars in Thousands)			
	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's proportionate share of the net OPEB asset	\$ 20,497	\$ 22,103	\$ 23,534

Sensitivity Analysis As of June 30, 2023 (Dollars in Thousands)			
	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's proportionate share of the net OPEB asset	\$ 20,415	\$ 21,845	\$ 23,118



12. OPTIONAL RETIREMENT PLANS

Optional Retirement Plan (ORP) – Effective July 1, 1990, the Idaho State Legislature authorized the Idaho State Board of Education to establish an ORP, a defined contribution plan for faculty and professional employees. The ORP is governed by Idaho Code, Sections 33-107A and 33-107B.

New faculty and professional employees hired on or after July 1, 1990 are automatically enrolled in the ORP. Vendor options include Teachers’ Insurance Annuity Association (TIAA) and Corebridge (formerly Valic/AIG Retirement Services). Faculty and professional employees hired before July 1, 1990 had a one-time opportunity to enroll in the ORP. Participants are immediately vested in both their contributions as well as the university’s contributions to their account upon enrollment. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 55 years of age.

The employee contribution requirement for the ORP is based on a percentage of total covered compensation. Employer contributions are determined by the State of Idaho. Approximately 2,600 employees contribute to this plan.

Contributions for the years ended June 30, are as follows:

ORP Contributions As of June 30, (Dollars in Thousands)		
	2024	2023
University contribution	\$ 18,094	\$ 16,711
Employee contribution	13,605	12,574
Total contribution	\$ 31,699	\$ 29,285
University contribution rate	9.27%	9.27%
Employee contribution rate	6.97%	6.97%

PERSI Base Plan – Although enrollees in the ORP no longer actively participate in PERSI, the university is required to contribute to the PERSI Base Plan through July 1, 2025. During the fiscal years ended June 30, 2024 and 2023 this supplemental funding payment to PERSI was \$2,909,130 and \$2,684,904 respectively.

Supplemental Retirement Plans – Full and part-time faculty, classified and professional staff enrolled in PERSI as their regular retirement plan, may enroll in the 403(b), 401(k) and the 457(b) plans. Full and part-time faculty and professional staff enrolled in the ORP as their regular retirement plan may enroll in the 403(b) and the 457(b) plans.



12. OPTIONAL RETIREMENT PLANS (Cont.)

401(k) - PERSI Choice Plan (PCP) – This is only available to active PERSI members that work 20 hours per week for five or more months. The PCP contains employee gain sharing distributions, any voluntary employee contributions made and the earnings on those funds. Approximately 138 employees contribute to this plan.

457(b) - Deferred Compensation Plan – The 457(b) plan is a voluntary retirement savings plan covered under Section 457(b) of the Internal Revenue Code. All university employees are eligible to participate in this plan through a select group of vendors. The plan is funded exclusively through employee pre-tax contributions. Approximately 126 employees contribute to this plan.

403(b) Plan – The 403(b) plan is a voluntary tax-sheltered retirement plan covered under Section 403(b) of the Internal Revenue Code. All university employees are eligible to participate in this plan through a select group of vendors. The plan is funded exclusively by employee pre-tax contributions. Approximately 304 employees contribute to this plan.

Roth 403(b) Plan – The Roth 403(b) is an after-tax saving option through payroll deduction with tax-free withdrawals of interest and earnings at retirement. All university employees are eligible to participate in this plan. Approximately 153 employees contribute to this plan.

Supplemental Retirement 403(b) Plan – The Supplemental 403(b) plan was established by the Idaho State Board of Education as of June 23, 2011, for the benefit of a limited group of participants with approval from the state’s higher education institutions only. The plan is funded by participant-specific contributions from the employees and the respective institutions.

Supplemental Retirement Plan Contributions for the years ended June 30, 2024 and 2023 respectively are as follows:

Supplemental Contributions As of June 30, (Dollars in Thousands)							
Fiscal Year		401(k)-PCP	457(b)	403(b)	Roth 403(b)	Supplemental Retirement 403(b)	
2024	Employee contribution	\$ 551	\$ 1,556	\$ 2,774	\$ 968	\$	9
2023	Employee contribution	\$ 485	\$ 1,441	\$ 2,745	\$ 842	\$	8
2024	University contribution	N/A	N/A	N/A	N/A	\$	24
2023	University contribution	N/A	N/A	N/A	N/A		N/A



13. RISK MANAGEMENT

Boise State University participates in the State of Idaho's risk management program for commercial insurance. Insurance coverages under the program include property, comprehensive liability, automobile property damage and liability, cyber liability, crime and employee bond, foreign liability, chartered and unmanned aircraft systems liability, out-of-state workers compensation, business interruption and media liability. The university obtains in-state workers' compensation coverage from the Idaho State Insurance Fund.

Property and casualty coverage premiums are based on historical claims frequency and severity, market influences and loss control factors. Workers' compensation premiums are calculated based on payroll and hours per job class code, with experience rate modifiers specific to the university and the state as a whole. There have been no significant reductions in coverage and no claims exceeding coverage in the last three years.





14. COMPONENT UNIT

The Foundation was established in 1964 to engage in activities to benefit and support the University, including receiving contributions and holding, protecting, managing and investing donated funds. The Foundation is a nonprofit corporation incorporated in accordance with the laws of the State of Idaho and managed by a volunteer Board of Directors. Under the Idaho State Board of Education’s administrative rules, the Foundation must be independent of and cannot be controlled by the University. A memorandum of understanding between the Foundation and the University defines the relationship between the two entities in accordance with the State Board of Education’s policies.

The Foundation’s financial statements are prepared in accordance with the standards set by the FASB.

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

Net Assets with Donor Restrictions — Net assets are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. The Foundation reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, with the stipulated purpose for which the resource was restricted has been fulfilled or both.

Net Assets without Donor Restrictions — Net assets are available for use in general operations and are not subject to donor restrictions. The Board of Directors has designated, from net assets without donor restrictions, net assets for a board-designated endowment.



**14. COMPONENT UNIT (Cont.)**

Net assets with donor restrictions are restricted for the following purposes or periods:

Net Assets with Donor Restrictions		
As of June 30,		
(Dollars in Thousands)		
Subject to expenditure for specified purpose:	2024	2023
Scholarships	\$ 26,559	\$ 19,104
Administrative	5,805	7,237
Athletic	11,107	12,464
Capital projects	32,370	25,479
Research -faculty	2,059	1,208
Research - student	309	318
Special purpose	4,958	6,026
Student assistantship	533	399
Underwater endowments	22	364
Total subject to expenditure for specific purpose	83,722	72,599
Promises to give, the proceeds which have been restricted by donors for:		
Scholarships	662	689
Administrative	873	510
Athletic	7,294	9,986
Capital projects	516	683
Research faculty	116	46
Special purpose	1,278	1,324
Student assistantship	172	40
Total promises to give	10,911	13,278
Subject to the passage of time:		
Assets held under split interest agreements	1,522	1,351
Endowments:		
Subject to endowment spending and appropriation:		
Academic scholarship	71,710	69,565
Other academic endowment	42,848	36,971
Athletic scholarship	19,132	18,484
Other athletic endowment	198	180
Unconditional promises to give	3,873	1,100
Total endowments	137,761	126,300
Underwater endowments	(22)	(363)
Total endowments net of underwater	137,739	125,937
Total Net Assets with donor restrictions	\$ 233,894	\$ 213,165

**14. COMPONENT UNIT (Cont.)**

Net assets with donor restrictions released from restrictions consisted of the following on June 30, 2024 and 2023:

Net Assets with Donor Restrictions Released From Restrictions As of June 30, (Dollars in Thousands)		
Net Assets	2024	2023
Scholarships and grants	\$ 7,074	\$ 6,966
Distribution of funds for academic programs	4,312	4,241
Distribution of funds for athletic programs		
Program services	13,923	5,795
Management and general	29	50
Uncollectible pledge expense	583	150
Management and general	3,230	2,904
Board and donor designated transfers	(6)	14
Total Net assets released from donor restrictions	\$ 29,145	\$ 20,120

Cash and Cash Equivalents — For purposes of cash flows, the Foundation considers all cash on-deposit in demand savings and time deposits with an original maturity date of three months or less to be cash equivalents. Cash and cash equivalents held by investment managers are considered investments and are shown as restricted cash and cash equivalents as the funds have been designated by the Foundation for investment purposes. Cash deposits at times during the years ended June 30, 2024 and 2023, exceeded FDIC-insured limits.

Investments — Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment gains and losses are reported in the statements of activities and consist of interest and dividend income, realized and unrealized capital gains and losses, less investment management and custodial fees.

Investments in equity and debt securities that have readily determinable fair values are recorded at quoted market prices. Investment securities without quoted market prices are valued at estimated fair value using appropriate valuation methods that consider the underlying assets and financial reports.

Investment securities are exposed to various risks, including interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the near term could materially affect account balances and the amounts reported in the accompanying financial statements.



14. COMPONENT UNIT (Cont.)

The following details each major category of investments and the related fair market values at June 30:

Investments As of June 30, (Dollars in Thousands)				
Investment Type	2024	2023		FY 2024 Percent of Total
US treasury bonds	\$ 18,638	\$ 19,122		8.1%
Corporate bonds	42,466	35,970		18.5%
Bond mutual funds	44,084	38,084		19.2%
Domestic equity funds	57,147	50,111		24.9%
International equity funds	54,588	49,339		23.8%
Private equity investments	673	802		0.3%
Real estate and specialty assets	12,006	9,568		5.2%
Insurance annuities	-	333		0.0%
Total investments	\$ 229,602	\$ 203,329		100%

Fair Value Measurements and Disclosures — Certain assets and liabilities are reported at fair value in the financial statements. Fair value is 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. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk.

Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available.



14. COMPONENT UNIT (Cont.)

A three-tier hierarchy categorizes the inputs as follows:

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

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

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

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the Foundation's assessment of the quality, risk or liquidity profile of the asset or liability.

A significant portion of the Foundation's investment assets are classified within Level 1 because they are comprised of open-end mutual funds, exchange-traded funds or U.S. Government and debt obligations with readily determinable fair values based on daily redemption values. These are valued consistently by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, market-rate assumptions and are classified within Level 1. Level 2 investments are comprised of insurance annuities which are tied either to the S&P 500 index or federal market interest rates of which there is a minimum payout of 5%. The fair values of beneficial interests in charitable and perpetual trusts are determined by management using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the underlying assets, and are based on the fair values of trust investments as reported by the trustees. These are considered to be Level 3 measurements.

The Foundation uses Net Asset Value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, to estimate the fair values of certain private equity funds and limited partnerships which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

**14. COMPONENT UNIT (Cont.)**

The following table presents assets and liabilities measured at fair value on a recurring basis including NAV, except those measured at cost as identified below, at June 30, 2024 and 2023:

Fair Value Measurements As of June 30, 2024 (Dollars in Thousands)					
	Fair Value of Assets and Liabilities	Quoted Prices in Active Markets (Level 1)	Other Observable (Level 2)	Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value
Assets					
Investments:					
Growth assets					
US equities	\$ 57,178	\$ 57,178	\$ -	\$ -	\$ -
International equities	54,557	54,557	-	-	-
Private equity/special situation	673		-	-	673
Risk reduction assets					
Cash and cash equivalents	5,068		-	-	-
US/Global fixed income	105,188	105,188	-	-	-
Real asset Investments	12,005	5,928	-	-	6,077
	<u>234,669</u>	<u>222,851</u>	<u>-</u>	<u>-</u>	<u>6,750</u>
Investments in perpetual trusts:					
Growth investments					
US equities	1,357	1,357	-	-	-
International equities	188	188	-	-	-
Risk reduction assets					
Cash and cash equivalents	57	-	-	-	-
US/Global fixed income	1,014	1,014	-	-	-
Real asset Investments	110	110	-	-	-
	<u>\$ 2,726</u>	<u>\$ 2,669</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities					
Liabilities	\$ 1,365	\$ -	\$ -	\$ 1,365	\$ -
Trust earnings payable to trust beneficiary	85	-	-	85	-
Total liabilities, at fair value	<u>\$ 1,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,450</u>	<u>\$ -</u>



14. COMPONENT UNIT (Cont.)

Fair Value Measurements As of June 30, 2023 (Dollars in Thousands)					
	Fair Value of Assets and Liabilities	Quoted Prices in Active Markets (Level 1)	Other Observable (Level 2)	Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value
Assets					
Investments:					
Growth assets					
US equities	\$ 50,111	\$ 50,111	\$ -	\$ -	\$ -
International equities	49,339	49,339	-	-	-
Private equity	802	-	-	-	802
Insurance annuities	333	-	333	-	-
Risk reduction assets					
Cash and cash equivalents	3,502	-	-	-	-
US/Global fixed income	93,176	93,176	-	-	-
Real Asset Investments	9,568	5,063	-	-	4,506
Total investments, at fair value	206,831	197,689	333	-	5,308
Investments in perpetual trusts:					
Growth investments					
US equities	1,325	1,325	-	-	-
International equities	176	176	-	-	-
Risk reduction assets					
Cash and cash equivalents	66	-	-	-	-
US/Global fixed income	905	905	-	-	-
Real Asset Investments	107	107	-	-	-
Total investments in perpetual trusts, at fair value	2,579	2,513	-	-	-
Total assets, at fair value	\$ 209,410	\$ 200,202	\$ 333	\$ -	\$ 5,308
Liabilities					
Liabilities	\$ 1,724	\$ -	\$ -	\$ 1,724	\$ -
Trust earnings payable to trust beneficiary	96	-	-	96	-
Total liabilities, at fair value	\$ 1,820	\$ -	\$ -	\$ 1,820	\$ -

Changes in Fair Value Levels — The availability of observable market data is monitored annually to assess the appropriate classifications of financial instruments within the fair value hierarchy. Changes in economic conditions or other factors may require the transfer of financial instruments from one fair value level to another. During the year ended June 30, 2024 and 2023, NAV private equity had both capital additions and distributions. One Limited Partnership was fully liquidated. Any other changes in the fair value are a reflection of market valuations.



14. COMPONENT UNIT (Cont.)

Investments in certain entities measured at fair value using NAV per share as a practical expedient are as follows June 30, 2024 and 2023:

Investments Measured at Fair Value Using NAV per Share				
As of June 30, 2024				
(Dollars in Thousands)				
Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Private Equity	\$ 673	\$ 449	Not available	N/A
Limited Partnership - Domestic Equity	6,077	-	Monthly	30 days
Total	<u>\$ 6,750</u>	<u>\$ 449</u>		

Investments Measured at Fair Value Using NAV per Share				
As of June 30, 2023				
(Dollars in Thousands)				
Investment Type	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Private Equity	\$ 802	\$ 533	Not available	N/A
Limited Partnership - Domestic Equity	4,506	-	Monthly	30 days
Total	<u>\$ 5,308</u>	<u>\$ 533</u>		

Financial Instruments and Credit Risk — The Foundation manages deposit concentration risk by placing cash, money market accounts and certificates of deposit with financial institutions believed by management to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank for each account ownership category. As of June 30, 2024 and 2023, the Foundation had approximately \$2,601,564 and \$7,840,720 respectively in excess of FDIC insurance limits. To date, the Foundation has not experienced losses in any of these accounts. Investments are made by investment managers whose performance is monitored by its investment consultant, management and the Investment Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the Investment Committee believe that the investment policies and guidelines assume a prudent level of risk consistent with the long-term welfare of the Foundation.

Credit risk associated with promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, individuals and other organizations supportive of the Foundation’s mission.

**14. COMPONENT UNIT (Cont.)**

Custodial Credit Risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Foundation may not be able to recover its deposits or may not be able to recover securities that are in possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the Foundation will not be able to recover the value of its investment or collateral securities that are in possession of another party. The Foundation does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

As of June 30, 2024 and 2023, deposits that were uninsured and uncollateralized totaled \$2,601,564 and \$7,840,720, respectively. Investments of the Foundation are uninsured and uncollateralized and held in the name of either the Foundation or the custodian.

Credit Risk - The risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poors and Fitch's. The ratings below use the Moody's scale for balances as of June 30, 2024.

The Foundation has a legal agreement with its restricted investment fund manager which defines ratings acceptable to the Foundation and its policy defines benchmark indices by which to measure overall performance of these investments.

Credit Risk of Debt Securities					
As of June 30, 2024					
(Dollars in Thousands)					
Moody's Scale	US Treasury	Corporate	Bond Mutual		
Rating	Bonds	Bonds	Funds	Total	
Aaa	\$ 17,336	\$ 846	\$ 4,194	\$ 22,376	
Aa2	-	2,900	-	2,900	
Aa3	-	-	31,904	31,904	
A1	-	14,456	197	14,653	
A2	-	6,098	39	6,137	
A3	-	5,439	-	5,439	
Ba1	-	-	7,675	7,675	
Ba3	-	-	12	12	
B2	-	-	19	19	
Baa1	-	3,267	-	3,267	
Baa2	-	8,101	17	8,118	
Baa3	-	704	-	704	
Unrated	-	-	27	27	
WR	-	655	-	655	
P-1	1,302	-	-	1,302	
Total	\$ 18,638	\$ 42,466	\$ 44,084	\$ 105,188	



14. COMPONENT UNIT (Cont.)

Credit Risk of Debt Securities As of June 30, 2023 (Dollars in Thousands)				
Moody's Scale Rating	US Treasury Bonds	Corporate Bonds	Bond Mutual Funds	Total
Aaa	\$ 17,168	\$ 741	\$ 3,590	\$ 21,499
Aa2	-	-	50	50
Aa3	-	805	43	848
A1	-	2,056	27,476	29,532
A2	-	10,719	136	10,855
A3	-	6,418	76	6,494
Ba1	-	3,845	-	3,845
B2	-	-	6,633	6,633
Baa1	-	-	31	31
Baa2	-	4,868	10	4,878
Baa3	-	4,723	12	4,735
Ba1	-	627	-	627
B2	1,954	1,024	27	3,005
Unrated	-	144	-	144
Total	\$ 19,122	\$ 35,970	\$ 38,084	\$ 93,176

Interest Rate Risk - Investments in debt securities that are fixed for longer periods are likely to experience greater variability in their fair values due to future changes in interest rates. While the Foundation does not have a policy regarding maturities of investments, it invests restricted funds in pools with differing maturities and its policy defines benchmark indices by which to measure overall performance of these investments.

Investment Maturities in Years As of June 30, 2024 (Dollars in Thousands)					
Investment Type	Fair Value	< 1 yr	1-3 yr	3-10 yr	>10 yr
US treasury bonds	\$ 18,638	\$ 2,527	\$ 3,441	\$ 11,697	\$ 973
Corporate bonds	42,466	10,295	8,964	21,723	1,485
Bond mutual funds	44,084	12	-	4,335	39,736
Total rated securities	\$ 105,188	\$ 12,834	\$ 12,405	\$ 37,755	\$ 42,194

Investment Maturities in Years As of June 30, 2023 (Dollars in Thousands)					
Investment Type	Fair Value	< 1 yr	1-3 yr	3-10 yr	>10 yr
US treasury bonds	\$ 19,122	\$ 2,660	\$ 5,411	\$ 10,569	\$ 482
Corporate bonds	35,970	2,235	16,708	16,308	720
Bond mutual funds	38,084	12	-	3,693	34,378
Total rated securities	\$ 93,176	\$ 4,907	\$ 22,119	\$ 30,570	\$ 35,580



14. COMPONENT UNIT (Cont.)

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

Liquidity and Availability As of June 30, (Dollars in Thousands)		
	2024	2023
Cash and cash equivalents	\$ 522	\$ 475
Interest receivable	470	330
Non-endowed investments	2,402	1,304
Endowment spending rate distributions and appropriations	259	220
Distributions from donor-designated endowment assets	124	122
Total	\$ 3,777	\$ 2,451

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

A board-designated endowment is subject to an annual spending rate of 4% and totaled \$7.18 million and \$6.73 million at June 30, 2024 and 2023, respectively. Although the organization does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board’s annual budget approval and appropriation), these amounts could be made available if necessary.



**14. COMPONENT UNIT (Cont.)**

Changes in Endowment Net Assets for the years ending June 30, 2024 and 2023, respectively, are as follows:

Changes in Endowment Net Assets			
As of June 30, 2024			
(Dollars in Thousands)			
	Without Donor	With Donor	
	Restriction	Restriction	Total
Endowment net assets, beginning of year	\$ 6,731	\$ 141,753	\$ 148,484
Investment return, net	670	14,856	15,526
Gifts	-	10,621	10,621
Non-charitable	-	191	191
Appropriation of endowment assets for expenditure	(220)	(5,569)	(5,789)
Other Changes			
Board and donor designated transfers	-	615	615
Change in value of insurance premiums	-	35	35
Underwater accounts	-	(22)	(22)
Endowment net assets, end of year	<u>\$ 7,181</u>	<u>\$ 162,480</u>	<u>\$ 169,661</u>

Changes in Endowment Net Assets			
As of June 30, 2023			
(Dollars in Thousands)			
	Without Donor	With Donor	
	Restriction	Restriction	Total
Endowment net assets, beginning of year	\$ 6,440	\$ 130,238	\$ 136,678
Investment return, net	509	10,848	11,357
Gifts	-	5,983	5,983
Non-charitable	-	(208)	(208)
Appropriation of endowment assets for expenditure	(218)	(5,523)	(5,741)
Other Changes			
Board and donor designated transfers	-	393	393
Change in value of insurance premiums	-	22	22
Underwater accounts	-	(364)	(364)
Endowment net assets, end of year	<u>\$ 6,731</u>	<u>\$ 141,389</u>	<u>\$ 148,120</u>

**14. COMPONENT UNIT (Cont.)**

Promises to Give – Unconditional promises to give are reflected at the present value of estimated future cash flows using a discount rate based on Treasury bond rates at the date of the pledge ranging from 0.05% to 5.41% as of June 30, 2024 and 2023, respectively, along with an allowance for uncollectible pledges based on past collection experience. Unconditional promises to give are estimated to be collected as follows at June 30, 2024 and 2023:

Promises to Give As of June 30, (Dollars in Thousands)		
	2024	2023
Receivable in less than one year	\$ 5,741	\$ 4,217
Receivable in one to five years	10,069	10,613
Receivable in more than five years	1,078	914
Total promises to give	16,888	15,744
Less allowance	(512)	(260)
Less discount	(1,588)	(1,098)
Total promises to give, net	\$ 14,788	\$ 14,386

Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities.

Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At June 30, 2024 and 2023, the allowance was \$512,000 and \$260,000, respectively.

Amounts Held in Custody for Others – The Boise State Public Radio (BSPR), an operating division of the University, transferred assets to the Foundation for investment and management, which are included in amounts held in custody for others. Support raised on behalf of BSPR was \$900 and \$3,542 at June 30, 2024 and 2023, respectively. Interest related to assets held on behalf of BSPR aggregated to \$1,165 and \$655, at June 30, 2024 and 2023, respectively. Included in amounts held in custody for others on behalf of BSPR are \$1,128,610 and \$1,114,757, at June 30, 2024 and 2023, respectively.

In-Kind Contributions – The Foundation records various types of in-kind support including equipment, contributed facilities, professional services, advertising and materials. Contributions of tangible assets are recognized at fair market value when received. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses or additions to property and equipment.



14. COMPONENT UNIT (Cont.)

Split Interest Agreement Obligations - The Foundation is currently the beneficiary of certain charitable remainder trusts. The charitable remainder trusts provide for the payment of distributions to the grantor or other designated beneficiaries over the trust’s term (usually the designated beneficiary’s lifetime). At the end of the trust’s term, the remaining assets are available for use by the Foundation as specified by the grantor. The portion of the trust attributable to the present value of the future benefits to be received by the Foundation is recorded as a temporarily restricted contribution in the period in which the trust is established. Investments held in the charitable remainder trusts are invested in equities and bonds and reported at fair value. The present value of the estimated annuity payments is calculated using discount rates of 5.6% for 2024 and 4.2% for 2022. Assets held in the charitable gift annuities totaled \$1,303,713 and \$1,768,764, for June 30, 2024 and 2023, respectively, and are included in the investments and investments in real estate in the accompanying statements of financial position.

The Foundation currently administers certain charitable gift annuities. The assets contributed under the charitable gift annuities are invested in equities and bonds and are carried at fair value and land which is carried at cost. Contribution support is recognized at the date the annuities are established after recording liabilities for the present value of the estimated future payments to be made to the donors and/or other beneficiaries. On an annual basis, the Foundation revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. Adjustments to reflect the valuation of the present value of the estimated annuity payments and changes in actuarial assumptions are included as a component of net investment return in the statements of activities.

The present value of the estimated annuity payments associated with the gift annuities is calculated using discount rates of 5.6% for 2024 and 4.2% for 2023 and the applicable mortality tables and is shown in the table below. Assets held in the charitable gift annuities totaled \$1,583,893 and \$1,509,661, for June 30, 2024 and 2023, respectively, and are included in the investments and investments in real estate in the accompanying statements of financial position.

Estimated future maturities of annuity obligations for each of the next five years and in the aggregate are as follows:

Estimated Future Maturities of Annuity Obligations (Dollars in Thousands)	
Year Ended June 30,	Annuity Payments
2025	\$ 152
2026	152
2027	144
2028	144
2029	143
Thereafter	1,718
Total	2,453
Less: Discount	(1,088)
Total Split interest liability	\$ 1,365



14. COMPONENT UNIT (Cont.)

Concentrations

The Foundation received approximately 32.4% of total contributions from seven donors during the year ended June 30, 2024 and approximately 27.4% of total contributions from two donors during the year ended June 30, 2023.

Gross unconditional promises to give included a total of approximately 40.6% from eight donors at June 30, 2024 and a total of approximately 45.4% from six donors at June 30, 2023.





15. OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATIONS

Operating Expense by Functional Classification As of June 30, 2024 (Dollars in Thousands)					
Functional Categories	Personnel Cost	Services, Supplies and Other	Scholarships and Fellowships	Depreciation and Amortization	Total
Instruction	\$ 146,227	\$ 12,097	\$ 4,217	\$ -	\$ 162,541
Research	34,068	13,836	3,056	-	50,960
Public service	19,801	11,187	842	-	31,830
Libraries	4,277	2,333	-	-	6,610
Student services	21,395	3,801	31	-	25,227
Plant operations	16,120	22,332	-	-	38,452
Institutional support	38,617	9,932	264	-	48,813
Academic support	41,378	5,781	528	-	47,687
Auxiliary enterprises	46,298	64,671	5,645	-	116,614
Scholarships	1,028	(112)	7,970	-	8,886
Depreciation and amortization	-	-	-	30,453	30,453
Total operating expenses	\$ 369,209	\$ 145,858	\$ 22,553	\$ 30,453	\$ 568,073

Operating Expense by Functional Classification As of June 30, 2023 (Dollars in Thousands)					
Functional Categories	Personnel Cost	Services, Supplies and Other	Scholarships and Fellowships	Depreciation and Amortization	Total
Instruction	\$ 139,939	\$ 12,089	\$ 3,976	\$ -	\$ 156,004
Research	29,498	12,954	2,443	-	44,895
Public service	19,023	10,318	565	-	29,906
Libraries	4,338	1,869	1	-	6,208
Student services	20,034	3,747	-	-	23,781
Plant operations	15,012	19,993	-	-	35,005
Institutional support	36,191	8,442	-	-	44,633
Academic support	36,570	5,076	422	-	42,068
Auxiliary enterprises	42,328	64,871	3,035	-	110,234
Scholarships	811	3	10,754	-	11,568
Depreciation and amortization	-	-	-	29,156	29,156
Total operating expenses	\$ 343,744	\$ 139,362	\$ 21,196	\$ 29,156	\$ 533,458



16. CONTINGENCIES, LEGAL MATTERS AND SUBSEQUENT EVENTS

Various legal proceedings have arisen in the normal course of conducting University business. The outcome of such litigation is not expected to have a material effect on the financial position of the University.

Revenue from federal, state and local and private grants and contracts include amounts for the recovery of overhead and other costs allocated to these projects. The University may be required to make refunds of amounts received for overhead and other costs reimbursed as a result of audits by agencies of the federal government. The University's management are of the opinion that these refunds, if any, will not have a material effect on financial position or the results of operations of the University.

The University has performed a review of potential pollution remediation obligations and found that there were no triggering events that would cause the University to record a pollution remediation liability as of June 30, 2024. Based on present knowledge, the University's management believes any ultimate liability in these matters will not have a material effect on the financial position or the results of operations of the University.





REQUIRED SUPPLEMENTARY INFORMATION

Other Postemployment Benefits (OPEB)

Schedule of Changes in Employer's Total OPEB Liability and Annual Covered Payroll

Other Post Employment Benefits Obligation Schedule of Funding Progress Retiree Healthcare Plan Last 10 - Fiscal Years* (Dollars in Thousands)							
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning OPEB liability	\$ 4,075	\$ 4,023	\$ 2,677	\$ 4,431	\$ 2,247	\$ 2,604	\$ 940
Changes for the year:							
Service cost	157	167	114	158	87	111	20
Interest	145	148	120	136	49	57	25
Effect of employer proportionate share changes	-	135	486	(495)	(34)	(1,269)	(125)
Effect of economic/demographic gains or losses	-	(19)	-	(2,266)	447	(41)	196
Effect of assumption changes or inputs	-	(1,387)	1,381	689	19	(268)	(3)
Expected benefit payments	(354)	(390)	(347)	(406)	(211)	(254)	(246)
Ending OPEB liability	\$ 4,023	\$ 2,677	\$ 4,431	\$ 2,247	\$ 2,604	\$ 940	\$ 807
Annual covered payroll	\$ 178,494	\$ 191,278	\$ 202,330	\$ 217,519	\$ 211,516	\$ 231,295	\$ 274,396
OPEB liability as a percentage of covered payroll	2.3%	1.4%	2.2%	1.0%	1.2%	0.4%	0.3%
Proportion of Total OPEB liability	0.115127000	0.118985369	0.140577686	0.124874627	0.122976525	0.126238699	0.109402997

Other Post Employment Benefits Obligation Schedule of Funding Progress Long Term Disability Healthcare Plan Last 10 - Fiscal Years* (Dollars in Thousands)							
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning OPEB liability	\$ 418	\$ 267	\$ 225	\$ 168	\$ 138	\$ 147	\$ 112
Changes for the year:							
Service cost	25	26	26	26	25	27	26
Interest	13	8	9	6	3	3	4
Effect of employer proportionate share changes	-	9	41	(18)	(2)	4	(15)
Effect of economic/demographic gains or losses	-	100	-	(20)	-	25	-
Effect of assumption changes or inputs	-	(51)	2	9	-	(71)	(1)
Expected benefit payments	(189)	(134)	(135)	(33)	(17)	(23)	(14)
Ending OPEB liability	\$ 267	\$ 225	\$ 168	\$ 138	\$ 147	\$ 112	\$ 112
Annual covered payroll	\$ 178,494	\$ 191,278	\$ 202,330	\$ 217,519	\$ 211,516	\$ 231,295	\$ 274,396
OPEB liability as a percentage of covered payroll	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%
Proportion of Total OPEB liability	0.115127006	0.118985639	0.140577686	0.124874627	0.122976525	0.126238699	0.109402997



REQUIRED SUPPLEMENTARY INFORMATION (Cont.)

Other Post Employment Benefits Obligation Schedule of Funding Progress Long Term Disability Life Insurance Plan Last 10 - Fiscal Years* (Dollars in Thousands)							
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning OPEB liability	\$ 380	\$ 322	\$ 278	\$ 285	\$ -	\$ -	\$ -
Changes for the year:							
Service cost	-	-	-	-	-	-	-
Interest	12	11	12	8	-	-	-
Effect of employer proportionate share changes	-	11	50	(248)	-	-	-
Effect of economic/demographic gains or losses	-	-	-	-	-	-	-
Effect of assumption changes or inputs	-	(5)	6	-	-	-	-
Expected benefit payments	(70)	(61)	(61)	(45)	-	-	-
Ending OPEB liability	\$ 322	\$ 278	\$ 285	\$ -	\$ -	\$ -	\$ -
Annual covered payroll	\$ 178,494	\$ 191,278	\$ 202,330	\$ 217,519	-	-	-
OPEB liability as a percentage of covered payroll	0.2%	0.1%	0.1%	0.0%	-	-	-
Proportion of Total OPEB liability	0.115127006	0.118985639	0.140577686	0.124874627	-	-	-

Other Post Employment Benefits Obligation Schedule of Funding Progress Retiree Life Insurance Plan Last 10 - Fiscal Years* (Dollars in Thousands)							
	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024
Beginning OPEB liability	\$ 20,552	\$ 21,655	\$ 21,396	\$ 23,756	\$ 29,329	\$ 31,289	\$ 26,183
Changes for the year:							
Service cost	754	777	714	845	1,339	1,394	957
Interest	755	795	833	859	673	696	898
Effect of employer proportionate share changes	-	1	(343)	190	-	(237)	(1,516)
Effect of economic/demographic gains or losses	-	(372)	-	(2,649)	-	1,530	-
Effect of assumption changes or inputs	-	(1,018)	1,624	6,840	345	(8,056)	(542)
Expected benefit payments	(406)	(442)	(468)	(512)	(397)	(433)	(515)
Ending OPEB liability	\$ 21,655	\$ 21,396	\$ 23,756	\$ 29,329	\$ 31,289	\$ 26,183	\$ 25,465
Annual covered payroll	\$ 178,494	\$ 191,278	\$ 202,330	\$ 217,519	\$ 211,516	\$ 231,295	\$ 274,396
OPEB liability as a percentage of covered payroll	12.1%	11.2%	11.7%	13.5%	14.8%	11.3%	9.3%
Proportion of Total OPEB liability	0.459494310	0.459524097	0.452151543	0.455774293	0.455770920	0.452320331	0.426105878

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

*Schedules above intended to show information for 10 years. Information for additional years will be displayed as it becomes available.



REQUIRED SUPPLEMENTARY INFORMATION (Cont.)

Other Postemployment Benefits – Sick Leave Insurance Reserve Fund OPEB Plan

Schedule of Employer’s Proportionate Share of Net OPEB Asset

Schedule of Employer's Proportionate Share of Net OPEB Asset Sick Leave Insurance Reserve Fund Last 10 - Fiscal Years* (Dollars in Thousands)							
Employer's Fiscal Year	Employer's Portion of Net OPEB Asset	Employer's Proportionate Share of Net OPEB Asset	Employer's Covered Payroll	Employer's Proportional Share of Net OPEB Asset as a Percentage of Covered Payroll	Plan Fiduciary Net Position	Plan Total OPEB Liability	Plan Fiduciary Net Position as a Percentage of Net OPEB Asset
2024	0.154414559	\$ 22,103	\$ -	0%	\$ 258,822	\$ 115,684	223.73%
2023	0.154414559	\$ 21,845	\$ -	0%	\$ 244,503	\$ 103,036	237.30%
2022	0.154414559	\$ 28,096	\$ 81,829	34.34%	\$ 286,193	\$ 104,239	274.55%
2021	0.154414559	\$ 21,796	\$ 106,717	20.42%	\$ 234,449	\$ 93,297	251.29%
2020	0.149536654	\$ 18,837	\$ 172,489	10.92%	\$ 225,186	\$ 99,214	226.97%
2019	0.147721192	\$ 16,954	\$ 162,749	10.42%	\$ 206,260	\$ 91,490	225.45%
2018	0.143584619	\$ 13,659	\$ 157,649	8.66%	\$ 186,498	\$ 91,368	204.12%

PERSI – Base Plan

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

Schedule of Employer's Proportionate Share of Net Pension Liability (Asset) PERSI - Base Plan Last 10 - Fiscal Years* (Dollars in Thousands)						
Employer's Fiscal Year	Employer's Portion of Net the Pension Liability (Asset)	Employer's Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportional Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	
2024	0.008659564	\$ 34,557	\$ 36,820	93.86%	83.83%	
2023	0.008329093	\$ 32,806	\$ 32,845	99.88%	83.09%	
2022	0.008092413	\$ (639)	\$ 30,200	-2.12%	100.36%	
2021	0.008759908	\$ 20,342	\$ 32,901	61.83%	88.22%	
2020	0.008799680	\$ 10,045	\$ 29,894	33.61%	93.79%	
2019	0.009051797	\$ 13,352	\$ 29,142	45.82%	91.69%	
2018	0.009515142	\$ 14,956	\$ 29,554	50.61%	90.68%	
2017	0.009493948	\$ 19,246	\$ 27,727	69.41%	87.26%	
2016	0.009608384	\$ 12,653	\$ 26,908	47.02%	91.38%	



REQUIRED SUPPLEMENTARY INFORMATION (Cont.)

Schedule of Employer Contributions - PERSI Base Plan

Schedule of Employer Contributions PERSI - Base Plan Last 10 - Fiscal Years* (Dollars in Thousands)							
Employer's Fiscal Year	Statutorily Required Contribution	Contributions in Relation to the			Employer's Covered Payroll	Contributions as a Percentage of Covered Payroll	
		Statutorily Required Contribution	Contribution (Deficiency) Excess				
2024	\$ 4,352	\$ 4,352	\$ -	\$ 38,929	11.18%		
2023	\$ 4,396	\$ 4,396	\$ -	\$ 36,820	11.94%		
2022	\$ 3,922	\$ 3,922	\$ -	\$ 32,845	11.94%		
2021	\$ 3,606	\$ 3,606	\$ -	\$ 31,854	11.94%		
2020	\$ 3,724	\$ 3,724	\$ -	\$ 32,901	11.94%		
2019	\$ 3,384	\$ 3,384	\$ -	\$ 29,894	11.94%		
2018	\$ 3,299	\$ 3,299	\$ -	\$ 29,142	11.32%		
2017	\$ 3,345	\$ 3,345	\$ -	\$ 29,554	11.32%		
2016	\$ 3,139	\$ 3,139	\$ -	\$ 27,727	11.32%		
2015	\$ 3,046	\$ 3,046	\$ -	\$ 26,908	11.32%		

*Schedules above intended to show information for 10 years. Information for additional years will be displayed as it becomes available.



**INDEPENDENT AUDITORS' 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***

Boise State University
Boise State University
Boise, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Boise State University (the University), a component unit of the State of Idaho, as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 10, 2024. Our report includes a reference to other auditors who audited the financial statements of the Boise State University Foundation, the discretely presented component unit, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the Boise State University Foundation were not audited in accordance with *Government Auditing Standards*.

Report on Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University'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 University'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 University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Denver, Colorado
October 10, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for The Major Federal Program

Opinion on Each Major Federal Program

We have audited Boise State University's (University) 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 Boise State University's major federal program for the year ended June 30, 2024. Boise State University's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Opinion on The 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; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University 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 the major federal program. Our audit does not provide a legal determination of the University'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 University's federal programs.

Auditors' 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 University'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 University's compliance with the requirements of the 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 University'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 University's 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 University'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-001 through 2024-006. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Boise State University's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Boise State University's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 through 2024-006 that we consider to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Boise State University's responses to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Boise State University's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of Boise State University as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Boise State University's basic financial statements. We have issued our report thereon dated October 10, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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.



CliftonLarsonAllen LLP

Denver, Colorado
October 10, 2024

Prograr Federal Grantor/Pass-Through Grantor Prograr Subprogram Title	Assistance Listing Number	Pass-Through Entity Name	Pass-Through Entity Identifying Number	Payments to Sub Recipients	Total
Student Financial Assistance - Cluster					
US Department of Education Programs					
Federal Supplemental Educational Opportunity Grants	84.007			-	909,912
Federal Work-Study Program				-	445,484
Federal Perkins Loan Program (Note 4)	84.038			-	2,474,234
Federal Pell Grant Program	84.063			-	22,899,385
Federal Direct Student Loans					
	Subsidized			-	17,851,774
	Unsubsidized			-	40,053,184
	Parent			-	19,144,026
Total Federal Direct Student Loans	84.268			-	77,048,984
Total US Department of Education Programs				-	103,777,999
US Department of Health and Human Services					
Nursing Student Loans (Note 4)	93.364			-	3,440
Total US Department of Health and Human Services				-	3,440
Total Student Financial Assistance Cluster				-	103,781,439
Research and Development - Cluster					
US Department of Agriculture Programs					
Agricultural Research_Basic and Applied Research	10.001		2021 SCBGP-FB, 2023 SCBGP-FB (11104)	-	21,279
Specialty Crop Block Grant Program - Farm Bill	10.170	Idaho State Department of Agriculture		60,779	189,744
		Pentamer Biologics, LLC, Pitch			
Small Business Innovation Research	10.212	Aeronautics Inc.	10872, 10911	-	84,721
Sustainable Agriculture Research and Education	10.215	Montana State University	G405-22-W9209, G346-23-W9213	10,776	161,001
Agriculture and Food Research Initiative (AFRI)	10.310			55,526	918,959
		University of California Agriculture and			
Crop Protection and Pest Management Competitive Grants Program	10.329	Natural Resources	SA22-5974-05	-	18,843
Cooperative Extension Service	10.500	Oregon State University	C0543A-C	-	31,419
Research Joint Venture And Cost Reimbursable Agreements	10.707			-	94,624
Infrastructure Investment and Jobs Act Restoration/Revegetation	10.717			-	41,171
Soil and Water Conservation	10.902	The University of Texas at El Paso	226300952B	-	9,353
Department of Agriculture	10.RD1	National Forest Foundation	RP-707	1,994	183,539
Agriculture Contracts	10.RD2			-	462,198
Total US Department of Agriculture Programs				129,075	2,216,850
US Department of Commerce					
State Digital Equity Planning Grants	11.032	Idaho Commission for Libraries	CPO20231471	-	40,917
Total US Department of Commerce Programs				-	40,917
US Department of Defense Programs					
Basic and Applied Scientific Research	12.300	Florida State University, Purdue University, University of Michigan	R000002601, 13000988-049, SUBK00018255	180,459	1,659,939
Basic Scientific Research	12.431	University of Delaware		34,233	141,665
Basic, Applied, and Advanced Research in Science and Engineering	12.630		53520	-	212,499
Air Force Defense Research Sciences Program	12.800	Massachusetts Institute of Technology, University of California, Merced	S4645, PO# 203761, A17-0044-5002	259,161	453,295
CyberSecurity Core Curriculum	12.905			-	309,273
Research and Technology Development	12.910	Embry-Riddle Aeronautical University	61654-02, GC87295-S1	-	197,361
Department of Defense	12.RD1	Confidential Sponsor	10127, 10670, 11356	415,136	3,399,112
		ENBIORGANIC TECHNOLOGIES LLC, Iris Light Technologies, Pitch Aeronautics Inc., Teledyne FLIR, LLC, University of California, Santa Barbara	Not Provided, 9630, 11404, 11592, 13101297668, KK2358	-	579,009
DoD Contracts	12.RD2			-	579,009
Total US Department of Defense Programs				888,990	6,952,152
US Department of the Interior Programs					
Snow Water Supply Forecasting	15.078	Colorado State University	G-30594	-	18,186
Fish, Wildlife and Plant Conservation Resource Management	15.231			-	0
Joint Fire Science Program	15.232			74,177	121,698
Plant Conservation and Restoration Management	15.245			-	8,131
Threatened and Endangered Species	15.246			-	72,168
Wildlife Resource Management	15.247	Utah Department of Natural Resources/Division of Wildlife Resources	216362	-	338,413
National Landscape Conservation System	15.248			-	74,645
Fish and Wildlife Coordination Act	15.517			-	101,955
SECURE Water Act Research Agreements	15.560			-	48,650
Wildlife Restoration and Basic Hunter Education	15.611	Idaho Department of Fish & Game	IDFG-FY24-339	-	84,330
State Wildlife Grants	15.634	Conservation Science Global, Western Association of Fish & Wildlife Agencies	11784, 7617	-	9,171
Migratory Bird Monitoring, Assessment and Conservation	15.655			-	1,463
Endangered Species Conservation Recovery Implementation	15.657			-	1,446
Endangered Species - Candidate Conservation Action Funds	15.660			-	37,586
Assistance to State Water Resources Research Institutes	15.805	University of Idaho	CW5722-881935, CW5722-881934	-	39,793
Earthquake Hazards Research and Monitoring Assistance	15.807			-	26,065
U.S. Geological Survey_ Research and Data Collection	15.808			-	612,778
National and Regional Climate Adaptation Science Centers	15.820	University of Washington	UWSC13837 BPO67278, UWSC14197 BPO69964, UWSC14725, UWSC10161	-	115,855
Cooperative Research and Training Programs - Resources of the National Park System	15.945	Pennsylvania State University, University of Wyoming	S004994-NPS, 1005851A-BSU	10,391	223,498
Interior Contracts	15.RD1			-	1,336
Total US Department of the Interior Programs				84,569	1,937,168
US Department of Justice Programs					
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		15PBJA-22-GG-03846-SAKI, 11019, 11218	-	440,161
National Sexual Assault Kit Initiative	16.833	Idaho State Police		-	107,007
Total US Department of Justice Programs				-	547,167
US Department of Transportation Programs					

University Transportation Centers Program	20.701	University of Washington	UWSC9934 (BPO25544)	-	1,040
Total US Department of Transportation Programs				-	1,040
National Aeronautics & Space Administration Programs					
Science	43.001	Arizona State University, Embry-Riddle Aeronautical University, Planetary Science Institute, University of Houston, University of Massachusetts, University of Wyoming	ASUB00001448, 61595-01, 1842-BSU, R-18-0078, 016892-9093, 1005618-BSU	770,865	2,232,637
Aeronautics	43.002	University of South Carolina	21-4194	-	276,560
			FKP548-SB-004, ES3981-SB-783720, ES4527-783700, ES4527-783701, ES5043-783957, ES6664-783947, ES6671-783945, ES6671-783942, ES6129-783647, ES6129-783653, ES1820-SB1-783981, ES0666-SB-783741, Advance		
Office of Stem Engagement (OSTEM)	43.008	University of Idaho	1653040, 1657429, 16671127, 1688504, Not Provided, 11146	-	616,151
NASA Contracts	43.RD1	California Institute of Technology, Space Foundry Inc., ThermoSat Inc		-	16,828
Total National Aeronautics & Space Administration Programs				770,865	3,142,175
National Foundation on the Arts and the Humanities Programs					
Promotion of the Arts Grants to Organizations and Individuals	45.024			32,722	69,384
Total National Foundation on the Arts and the Humanities Programs				32,722	69,384
National Science Foundation Programs					
Engineering	47.041	Iris Light Technologies, University of Kentucky Research Foundation, University of Pittsburgh	10061, 3200005660-24-022, AWD00006510 (012854-2)	24,983	1,944,784
Mathematical and Physical Sciences	47.049	Yale University	CON-80004860 (GR122772)	91,934	2,826,469
Geosciences	47.050	Idaho State University, Oregon State University, The University of Texas at El Paso, University of Alaska, Fairbanks, University of Wisconsin-Madison	13-2218, S2192A-C, 226101047C, USF 19-0069, 801K172	51,397	1,611,991
Computer and Information Science and Engineering	47.070			20,464	1,398,396
Biological Sciences	47.074	University of Colorado, Boulder	1559568	69,626	824,879
Social, Behavioral, and Economic Sciences	47.075			2,712	329,063
STEM Education (formerly Education and Human Resources)	47.076	North Carolina State University, The Peregrine Fund, Inc., University of Oregon, University of Washington	2019-1755-01, 2005869-BSU2021, 2017H0A, UWSC11097; BPO 39223	293,248	3,398,767
Polar Programs	47.078			-	174,495
Office of International Science and Engineering	47.079			196,579	272,690
Integrative Activities	47.083	Louisiana Tech University, University of Idaho, University of Montana	AWD-30000260, CE2559-SB-873904, CE7135-873897, PG23-63058-01	593,475	2,430,021
NSF Technology, Innovation, and Partnerships	47.084	Arizona State University, Montana State University, Oregon State University, University of North Dakota, University of Washington	ASUB00001202, G116-24-WA333, S2431A-B, UNDO028293-54, UWSC15168	260,861	1,770,270
National Science Foundation	47.RD1			-	155,129
Total National Science Foundation Programs				1,605,279	17,136,953
Environmental Protection Agency Programs					
EPA Contracts	66.RD1	Jacobs	EPATP-0000004403, EPATP-0000003855	-	7,339
Total Environmental Protection Agency Programs				-	7,339
US Department of Energy Programs					
Office of Science Financial Assistance Program	81.049	Advanced Materials Scientia, LLC, Applied Nanotech, Inc, Pitch Aeronautics Inc.	10592, 10487, 9317, 11081	57,224	3,608,960
Renewable Energy Research and Development	81.087	University of Tulsa, Utah State University	14-2-1206782-94802-01, 14071101-235	-	35,355
Nuclear Energy Research, Development and Demonstration	81.121	North Carolina State University, The University of Texas at San Antonio	2021-2281-01, 1000004526	120,179	797,049
National Nuclear Security Administration (NNSA) Minority Serving Institutions (MSI) Program	81.123	University of Texas San Antonio	1000005201	-	105,992
Energy Contracts	81.RD1	Battelle Energy Alliance, UChicago Argonne, LLC, UT-Battelle, LLC	739495, 154754-67, 154754-69, 154754-70, 154754-71, 154754-72, 257540, 154754-85, 154754-91, 268948-2, 268948-1, 268948-3, 268948-4, 268948-5, 268948-6, 268948-11, 268948-9, 268948-12, 268948-13, 154754-4, 154754, Release 21, 154754-33, Release 49, 154754-55, 154754-15, 154754-63, 154754-74, 154754-73, 154754-75, 154754-80, 154754-77, 154754-79, 154754-78, 154754-83, 154754-88, 4F-60085, 4000192555, 4000170802, CW48100 PO400210725, 4000179201	-	664,834
Total US Department of Energy Programs				177,403	5,212,190
US Consumer Product Safety Commission Programs					
Baby Biomechanics and Suffocation Research	87.RD1			(2,169)	38,564
Total US Consumer Product Safety Commission Programs				(2,169)	38,564
National Archives and Records Administration Programs					
National Historical Publications and Records Grants	89.003	University of Nevada Reno	UNR-24-05	-	5,350
Total National Archives and Records Administrations Programs				-	5,350
US Department of Health and Human Services Programs					
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	West Virginia University Research Corporation	14-197-BSU	-	111,444
Mental Health Research Grants	93.242	Trustees of the University of Pennsylvania	579640, 582255	130,168	406,405
Alcohol Research Programs	93.273	West Virginia University Research Corporation	18-558-BSU	-	64,571

Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286				-	171,838
Minority Health and Health Disparities Research	93.307	Klein Buendel	0337-0185-000		-	194,503
Research Infrastructure Programs	93.351				-	206,038
Nursing Research	93.361	University of California, Los Angeles,			-	98,439
Cancer Treatment Research	93.395	University of Utah	1900 G LA892, 10065641-01-BSU		-	176,782
Cardiovascular Diseases Research	93.837	University of Washington	UWSC12019		-	273,735
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	Colorado Seminary, dba University of Denver, University of North Carolina, Chapel Hill	SC37780-01-02 (P0161992), 5117080		-	143,140
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853				-	418,392
Allergy and Infectious Diseases Research	93.855	Emory University	A699233		-	237,178
			SU24072024, SI3394-SB-825967/SI3394-825933, SI3394-825910 / SI3394-825874, SI3394-825852, SI3394-825853 / SI3394-825814, SI3394-825830, SI3394-825818, SI3394-825817 / SI7662-825795, SI3394-825816, SI3394-825124, SI7662-825846, SI7662-825798, SI3394-SB-825955/SI3394-825924, SI3394-SB-825949, SI3394-825919, SI3394-SB-825951/SI3394-825920, SI3394-825909, SI3394-825873, GR14554, GR14893, GR16008, GR16635, GR16634, GR16746, GR18319, GR19077, GR19332, GR19076, GR14555, GR09454 (Amendment No. 01), GR14556			
Biomedical Research and Research Training	93.859	College of Idaho, University of Idaho, University of Nevada Las Vegas			45,169	6,333,865
Aging Research	93.866				-	205,299
Vision Research	93.867				-	235,237
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946				-	61,182
Total US Department of Health and Human Services Programs					175,337	9,338,049
US Department of Homeland Security Programs						
Cooperating Technical Partners	97.045				-	8,885
Financial Assistance for Targeted Violence and Terrorism Prevention	97.132				-	67,752
Total US Department of Homeland Security Programs					-	76,637
Total Research and Development Cluster					3,862,071	46,721,935
Economic Development						
US Department of Commerce Programs						
Economic Adjustment Assistance	11.307				88,073	485,004
Total US Department of Commerce Programs					88,073	485,004
Total Economic Development					88,073	485,004
Federal Transit						
US Department of the Interior Programs						
Federal Transit Capital Investment Grants	20.500	Valley Regional Transit		10002	-	241,128
Federal Transit_Formula Grants	20.507	Valley Regional Transit		10668	-	361,483
Total US Department of the Interior Programs					-	602,611
Total Federal Transit					-	602,611
IDEA - Cluster						
US Department of Education Programs						
Special Education_Grants to States	84.027A	Idaho Department of Education	23-5003, 24-5001, 24-5021, 20-5006, 22-5003, 25-5000		-	1,504,758
Total US Department of Education Programs					-	1,504,758
Total IDEA Cluster					-	1,504,758
TRIO - Cluster						
US Department of Education Programs						
TRIO Student Support Services	84.042A				-	1,526,212
TRIO Talent Search	84.044A				-	842,686
TRIO Upward Bound	84.047V				-	1,270,627
TRIO_McNair Post-Baccalaureate Achievement	84.217A				-	282,692
Total US Department of Education					-	3,922,218
Total TRIO Cluster					-	3,922,218
CCDF Cluster						
US Department of Health and Human Services Programs						
Child Care and Development Block Grant	93.575	Idaho Association for the Education of Young Children (AEYC)	11004, 11152		-	4,356
Total US Department of Health and Human Services Programs					-	4,356
Total CCDF Cluster					-	4,356
Other Programs						
US Department of Agriculture Programs						
Specialty Crop Block Grant Program - Farm Bill	10.170	State of Idaho Wine Commission	61151/SPEC22 22		-	4,495
Rural Business Development Grant	10.351				-	41,630
Child Nutrition Discretionary Grants Limited Availability	10.579				240,845	916,544
Rural Energy for America Program	10.868				3,158	17,195
Soil and Water Conservation	10.902				-	1
Agriculture Contracts	10.U01				-	18,578
Total US Department of Agriculture Programs					244,003	998,443
US Department of Commerce Programs						

Cluster Grants	11.020			-	446,500
Economic Development Technical Assistance	11.303			-	115,866
		Georgia Institute of Technology, Iowa State University, Montana State University, Oregon Manufacturing Extension Partnership, Inc.	T8685-G2, 024620J, G132-19-W7395, 9612	424,232	1,444,514
Manufacturing Extension Partnership	11.611				
Total US Department of Commerce Programs				424,232	2,006,880
US Department of Defense Programs					
Procurement Technical Assistance For Business Firms	12.002			-	701,127
Information Security Grants	12.902			-	106,403
GenCyber Grants Program	12.903			-	132,945
CyberSecurity Core Curriculum	12.905			-	69,559
Total US Department of Defense Programs					1,010,035
US Department of Housing and Urban Development					
Eviction Protection Grant Program	14.537	Idaho Legal Aid Services, Inc.		10212	19,093
Total US Department of Housing and Urban Development Programs					19,093
US Department of the Interior Programs					
Wildlife Resource Management	15.247			-	16,174
Endangered Species Conservation Recovery Implementation	15.657			-	65,363
U.S. Geological Survey_ Research and Data Collection	15.808			-	23,958
National and Regional Climate Adaptation Science Centers	15.820	University of Washington	UWSC15080	-	55,688
Total US Department of the Interior Programs					161,182
US Department of Justice Programs					
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus	16.525			-	152,283
Capital Case Litigation Initiative	16.746			-	47,813
Postconviction Testing of DNA Evidence	16.820			-	102,691
Total US Department of Justice Programs					302,788
US Department of Labor Programs					
Consultation Agreements	17.504			-	503,821
Total US Department of Labor Programs					503,821
US Department of State Programs					
Academic Exchange Programs - Undergraduate Programs	19.009	International Research & Exchanges Board, World Learning Inc.	FY24-YALI-PM-Boise-03, CBPSA20-BoiseState01	-	127,287
Total US Department of State Programs					127,287
US Department of the Treasury Programs					
Volunteer Income Tax Assistance (VITA) Matching Grant Program	21.009			13,125	56,884
COVID-19 Coronavirus Relief Fund	21.019	Idaho Department of Health and Welfare	HC221100	-	9,499
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	City of Boise		11260	22,921
State Small Business Credit Initiative Technical Assistance Grant Program	21.031			-	36,133
Total US Department of the Treasury Programs				13,125	125,437
National Aeronautics & Space Administration Programs					
Science	43.001			62,450	735,534
Total National Aeronautics & Space Administration Programs				62,450	735,534
National Endowment for the Humanities Programs					
Promotion of the Arts Partnership Agreements	45.025	Idaho Commission on the Arts	6841, 6836	-	17,984
Promotion of the Humanities_Division of Preservation and Access	45.149	Idaho Humanities Council	2023023, 2023034	-	11,000
Promotion of the Humanities Public Programs	45.164	National Writing Project	05-ID02-2022BMPU	-	17,557
Promotion of the Humanities Office of Digital Humanities	45.169			-	23,237
Total National Endowment for the Humanities					69,778
US Small Business Administration Programs					
Small Business Development Centers	59.037			595,766	911,508
Total US Small Business Administration Programs				595,766	911,508
Environmental Protection Agency Programs					
Pollution Prevention Grants Program	66.708	Idaho Department of Environmental Quality	S774	-	70,794
Total Environmental Protection Agency Programs					70,794
US Department of Energy Programs					
Nuclear Energy Research, Development and Demonstration	81.121			-	68,549
			SUB-2022-10121, 154754-37, 246816-2, 246816-1, 154754-82, 257541, 154754-89, 268948-7, 268948-10, 268948-14, 268948-16, 154754-86, 154754-90		
Energy Contracts	81.U01	Alliance for Sustainable Energy, Battelle Energy Alliance		-	1,777,988
Total US Department of Energy Programs					1,846,537
US Department of Education Programs					
Title I Grants to Local Educational Agencies	84.010	Idaho Department of Education, Idaho State Board of Education	23-4002, ID#21-4400, ID #22-4421	-	1,812
Overseas Programs - Group Projects Abroad	84.021			-	153,770
Migrant Education_High School Equivalency Program	84.141			-	2
Title I Grants to Local Educational Agencies	84.010A	Idaho Department of Education	24-4013, 25-4412	-	947,273
Migrant Education_High School Equivalency Program	84.141A			-	501,296
Migrant Education_College Assistance Migrant Program	84.149A			-	450,668
Statewide Family Engagement Centers	84.310A	West Virginia University Research Corporation	19-819-BSU	-	31,963
Special Education - State Personnel Development	84.323A	Idaho Department of Education	21-5029	-	645
Education Stabilization Fund	84.425C	Idaho State Board of Education	Not provided, 10969	9,533	670,926
Total US Department of Education Programs				9,533	2,758,355
US Department of Health and Human Services Programs					

Lifespan Respite Care Program	93.072	Idaho Commission on Aging	90LRLU0024-03 B102020	-	21,572
Injury Prevention and Control Research and State and Community Based Programs	93.136	Idaho Department of Health and Welfare	HC333900	-	28,328
Immunization Research, Demonstration, Public Information and Education_Training and Clinical Skills Improvement	93.185	Comagine Health	4300.HIE.02.0001	-	327,454
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243			-	104,970
Occupational Safety and Health Program	93.262	West Virginia University Research Corporation	19-294-BSU, 16-376-BSU	-	50,432
Immunization Cooperative Agreements	93.268	Idaho Department of Health and Welfare	HC309800	-	18,559
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Idaho Department of Health and Welfare	HC269800	-	387,070
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Health Emergencies	93.391	Idaho Department of Health and Welfare	HC279700	-	755
Every Student Succeeds Act/Preschool Development Grants Birth through Five	93.434	Idaho Association for the Education of Young Children (AEYC)	11457, 11578	-	104,361
Refugee and Entrant Assistance_State Administered Programs	93.566	Jannus, Inc.	IOR-2341, 11545	-	41,058
Money Follows the Person Rebalancing Demonstration	93.791	Idaho Department of Health and Welfare	RC084300, RC5167	-	271,647
Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	Central District Health Department	Not Provided	-	8,769
Grants to States for Operation of Offices of Rural Health	93.913	University of North Dakota	2706951, 2588151	-	14,848
Total US Department of Health and Human Services Programs				-	1,379,823
US Department of Homeland Security Programs					
Cooperating Technical Partners	97.045			-	462,113
Total US Department of Homeland Security Programs				-	462,113
Total Other Programs				1,349,109	13,489,408
Total Expenditures				5,299,252	170,511,728

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes federal award activity of the University under programs of the federal government for the year ended June 30, 2024. The information in this Schedule 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 University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards with the exception of Assistance Listing 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. INDIRECT COST RATE

The University has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. UNIVERSITY ADMINISTERED LOAN PROGRAMS

The federal student loan programs listed subsequently are administered directly by the University, and balances and transactions relating to these programs are included in the University’s basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at June 30, 2024 consists of:

Assistance Listing Number	Program Name	Outstanding Balance at June 30, 2024
84.038	Federal Perkins Loans	1,646,379
93.364	Nursing Students Loans	3,440

5. STUDENT FINANCIAL AID INSTITUTIONAL AND PROGRAM ELIGIBILITY METRICS

The Institution is in compliance with the following institutional and program eligibility requirements under the Higher Education Act of 1965 and Federal regulations under 34 CFR 668.23:

- Correspondence courses the institution offers under 34 CFR 600.7(b) and (g)
- Regular students that enroll in correspondence courses under 34 CFR 600.7(b) and (g)
- Institution’s regular students that are incarcerated under 34 CFR 600.7(c) and (g)

- Completion rates for confined or incarcerated individuals enrolled in non-degree programs at nonprofit institutions under 34 CFR 600.7(c)(3)(ii) and (g)
- Institution's regular students that lack a high school diploma or its equivalent under 34 CFR 600.7(d) and (g)
- Completion rates for short-term programs under 34 CFR 668.8(f) and (g)
- Placement rates for short-term programs under 34 CFR 668.8(e)(2)

**BOISE STATE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

- Internal control over major federal programs:
 - Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
- Type of auditors’ report issued on compliance for major federal programs: Unmodified
- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
Various	Student Financial Assistance Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? x yes _____ no

**BOISE STATE UNIVERSITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

2024 – 001 – Special Tests & Provisions

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.063 & 84.268

Federal Award Identification Number and Year: P063P230097 & P268K240097

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Institutions are required to report enrollment information under the Pell grant and the Direct Loan programs via the National Student Loan Data System (NSLDS) (*OMB No. 1845-0035*) (Pell, 34 CFR 690.83(b)(2); Direct Loan, 34 CFR 685.309.) The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions. Institutions must review, update, and certify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (NSLDSFAP) website which the financial aid administrator can access for the auditor. The data on the institution's Enrollment Reporting Roster, or Enrollment Maintenance page, is what NSLDS has as the most recently certified enrollment. There are two categories of enrollment information, "Campus Level" and "Program Level," both of which need to be reported accurately and have separate record types. The *NSLDS Enrollment Reporting Guide* provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process. Per 2 CFR 200.303, entities must establish and maintain internal controls which provide reasonable assurance that federal award expenditures are in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition: During testing of the accuracy of NSLDS reporting, we identified eight out of forty samples where the program effective date per institutional records did not match the program effective date reported in NSLDS.

Context: Out of 40 students tested, we identified eight students in which the program effective date per institutional records did not match the program effective date reported in NSLDS.

Questioned costs: None.

**BOISE STATE UNIVERSITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Effect: The University was out of compliance as it relates to ensuring the program effective date reported in NSLDS matches institutional records.

Cause: The program effective dates per institutional records not matching program effective date per NSLDS program enrollment was due to either and old admissions software or the Online Major Change (OMC) tool.

Repeat finding: No.

Recommendation: We recommend the University review its current procedures for NSLDS reporting and implement additional procedures to ensure program effective dates in NSLDS match institutional records.

Views of responsible officials: Management agrees with the finding and has developed a plan to correct the finding.

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2024 – 002 – Special Tests & Provisions

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: Various

Federal Award Identification Number and Year: Multiple

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Per 34 CFR 668.22(j)(1), an institution must return the amount of Title IV funds for which it is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew. 34 CFR 668.22(B)(2) states, an institution must document a student's withdrawal date determined in accordance with paragraph (b)(1) and maintain the documentation as of the date of institution's determination that the student withdrew. Per 2 CFR 200.303, entities must establish and maintain internal controls which provide reasonable assurance that federal award expenditures are in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Per 2 CFR 200.303, entities must establish and maintain internal controls which provide reasonable assurance that federal award expenditures are in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition: During testing of timely and accurate return of Title IV funds, we identified one out of 40 samples that the return of Title IV funds was later than 45 days after the institution's determination that the student withdrew. Additionally, one out of 40 samples did not have documentation for the student's withdrawal date used for the return of Title IV calculation.

**BOISE STATE UNIVERSITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Context: We selected forty samples to test which resulted in two exceptions:

1. One had the return of Title IV funds later than 45 days after the institution's determination that the student withdrew, and
2. One did not have documentation for the student's withdrawal date used for the return of Title IV calculation.

Questioned costs: \$270

Effect: The University had two elements of noncompliance as it relates to the Department of Education's many requirements of returning Title IV funds.

Cause: Of the two exceptions:

1. A student's Title IV funds were returned 65 days after the institutional determination. Per discussion with the University, the daily query being used to process disbursements in the Fall semester wasn't coming through over the weekend as it should have been. Upon discussion with the University, this impacted the timeliness of two other students not tested.
2. A student's documentation of withdrawal date was not retained by the University due to a former staff member not asking other department employees to contact instructors for Last Date of Attendance for an officially withdrawn course. They instead used the date the course was officially dropped in self-service.

Repeat finding: No.

Recommendation: We recommend the University review its current procedures for return of Title IV funds. As part of the review, the University should implement safeguard to ensure refunds are returned timely and that refund amounts are supported by having documentation of withdrawal dates.

Views of responsible officials: Management agrees with the finding and has developed a plan to correct the finding.

2024 – 003 – Special Tests & Provisions & Eligibility

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Assistance Cluster

Assistance Listing Number: 84.063

Federal Award Identification Number and Year: P063P230097

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Each year, based on the maximum Pell Grant established by Congress, ED provides to institutions Payment and Disbursement Schedules for determining Pell

BOISE STATE UNIVERSITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024

awards. The Payment Schedule provides the maximum scheduled award a student would receive for a full academic year as a full-time student based on their EFC and COA. The Disbursement Schedules are used to determine annual awards for full-time, three-quarter time, half-time, and less-than-half-time students. All Schedules, however, are based on the COA of a full-time student for a full academic year (see Volume 7, The Federal Pell Grant Program and Iraq and Afghanistan Service Grants, of the *FSA Handbook* for 2023-24 for guidance on selecting formulas for calculating cost of attendance, prorating costs for programs less or greater than an academic year and determining payment periods). Disbursement schedules for 2022-2023 and 2023-2024 award years can be found at the following links: [2022-2023 Federal Pell Grant Payment and Disbursement Schedules \(GEN-22-04\)](#) and [2023-2024 Federal Pell Grant Payment and Disbursement Schedules \(GEN-23-02\)](#). Students that receive Pell Grant may not receive more than six Scheduled Awards (12 semesters, or the equivalent) as measured by the percentage of "lifetime eligibility used" (LEU) field in COD (tracked by ED) (20 USC 1070a(c)(5)). The LEU maximum percentage for student eligibility is 600 percent. Per 2 CFR 200.303, entities must establish and maintain internal controls which provide reasonable assurance that federal award expenditures are in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.

Condition: During testing our testing of return of Title IV funds, one student had been awarded Pell when they were not eligible to receive Pell due to the timing of the award.

Context: During our Return of Title IV testing, we selected forty samples to test. While testing eligibility was not the focus of this test, the University brought to our attention one exception of a student being awarded Pell when they were not eligible to receive Pell due to the timing of the award. We also tested 40 other students in our eligibility testing in which no exceptions were identified.

Questioned costs: \$1,879.

Effect: The University was out of compliance with the requirement to properly award students Title IV funds based on eligibility. Additionally, the University was out of compliance as it relates to properly calculating the return of Title IV funds.

Cause: Per discussion with the University, Pell was awarded erroneously and a review process did not identify the issue prior to disbursing the aid.

Repeat finding: No.

Recommendation: We recommend the University review its current procedures for awarding Title IV funds to ensure only eligible students are receiving funds.

Views of responsible officials: Management agrees with the finding and has developed a plan to correct the finding.

2024 – 004 – Allowable Costs/Cost Principles

Federal Agency: U.S. Department of Justice

Federal Program Title: Postconviction Testing of DNA Evidence; Capital Case Litigation Initiative

Assistance Listing Number: 16.820; 16.746

Federal Award Identification Number and Year: Multiple

BOISE STATE UNIVERSITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024

Award Period: July 1, 2023 to June 30, 2024

Type of Finding:

- Other Matters
- Significant Deficiency in Internal Control over Compliance

Criteria or specific requirement: Per 2 CFR 200.516(4): Known questioned costs that are greater than \$25,000 for a Federal program which is not audited as a major program should be reported as finding. Except for audit follow-up, the auditor is not required under this part to perform audit procedures for such a Federal program; therefore, the auditor will normally not find questioned costs for a program that is not audited as a major program. However, if the auditor does become aware of questioned costs for a Federal program that is not audited as a major program (e.g., as part of audit follow-up or other audit procedures) and the known questioned costs are greater than \$25,000, then the auditor must report this as an audit finding. Additionally, per Uniform Guidance 2 CFR 200.303, nonfederal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements. CFR 200.403(a) requires costs incurred on federal awards to be necessary and reasonable for the performance of the Federal award and be allocable thereto.

Condition: CLA was notified by the Post-Award Office of Sponsored Programs that they were informed about several irregularities and potentially unallowable costs related to certain Department of Justice Awards.

Context: The University conducted an internal investigation in conjunction with the Idaho State Board of Education Internal Audit and Advisory Services, the investigation identified unallowable costs/activities that were charged to Department of Justice Awards. The University notified the Department of Justice of this situation through a Disclosure Letter to the Department. The disallowed costs were related to time and effort that was not allocable to the affected grants as well as lobbying efforts and related indirect cost recoveries.

Questioned costs: \$65,750.67.

Effect: The University was out of compliance as it relates to charging disallowable costs/activities to federal programs.

Cause: An employee was found to have intentionally overridden the system of internal controls in violation of University policy.

Repeat finding: No

Recommendation: We recommend the University continue to foster a research and creative activity environment that stresses the importance of compliance and prompt disclosure and resolution of any self-identified issues.

Views of responsible officials: Management agrees with the finding and has developed a plan to correct the finding.

**BOISE STATE UNIVERSITY
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024**

Section IV – Prior Year Findings

2023 – 001 – Cash Management

Federal agency: U.S. Federal Government

Federal program title: Research and Development Cluster

Assistance Listing Numbers: Various

Award Period: July 1, 2022 to June 30, 2023

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal

Condition: The University did not make payment to Subrecipients within the required 30 calendar days after receipt of the billing for part of the year under audit.

Status: Partially implemented.

2023 – 002 – Allowable Costs/Cost Principles

Federal agency: U.S. Federal Government

Federal program title: Research and Development Cluster

Assistance Listing Numbers: Various

Award Period: July 1, 2022 to June 30, 2023

Type of Finding:

- Compliance, Other Matter
- Significant Deficiency in Internal

Condition: The University's year-end cutoff controls allowed for certain costs from Fiscal Year 2023 to not be reported in the Fiscal Year 2023 SEFA but rather reported in the Fiscal Year 2024 SEFA.

Status: Partially implemented.



BOISE STATE UNIVERSITY

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