Financial Statements
June 30, 2022

College of Southern Idaho

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the College of Southern Idaho (the College), and its discretely presented component unit as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component unit, as of June 30, 2022, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. 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 the College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of employer's share of net pension liability (asset) and employer contributions, the schedule of changes in total OPEB liability and schedule of changes in total sick leave plan and related ratios as noted in the table of contents, be presented to supplement the basic financial statements. Such information 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 auditing standards generally accepted in the United States of America, 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.

Supplementary Information

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

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

Management is responsible for the other information included in the financial statements. The other information comprises the DHC Auxiliary Enterprise Funds – Revenues and Expenses but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide an assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and to consider whether a material inconsistency exists between the other information and the basic financial statements, or other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2022 on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering College's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
October 18, 2022

This discussion and analysis of the College of Southern Idaho's (the College or CSI) financial statements provide an overview of the College's financial performance during the fiscal years 2021 and 2022. This discussion has been prepared by management. The discussion and analysis is designed to focus on current activities, resulting changes, and current known facts and should be read in conjunction with the College's financial statements and accompanying footnotes.

Profile of the College

The College of Southern Idaho is a public institution of higher education offering courses on the main campus in Twin Falls and outreach centers in Burley, Gooding, Hailey, and Jerome. The main campus is located near the scenic Snake River Canyon, which offers many exciting outdoor recreation opportunities. The College offers programs leading to degrees in Associates of Arts, Associates of Science, Associates of Applied Science, and various certificates, as well as a Bachelor of Applied Science in Operations Management. During fiscal year 2022, the College served 14,386 students taking 133,982 credits. In addition to academic and Career Technical Education offerings, the college has a workforce development division serving 6,459 duplicated students. The college is recognized for having a student-centered environment, outstanding faculty, and facilities. As a Hispanic Serving Institution (HSI), CSI has a diverse mix of students and takes great pride in offering innovative programs while maintaining an affordable and personalized experience for students. The College of Southern Idaho combines exceptional academics with successful Athletic programs, this past year Cross Country, Men's Basketball, Women's Basketball, Softball, and Rodeo all competed in National Tournaments.

Financial Highlights

The College's financial position at June 30, 2022 reflects improvement over the previous fiscal year. The improvements are the result of management's continuing efforts to enhance fiscal performance.
During fiscal year 2022:

- Operating revenues increased from $51.1 million to $58.6 million.
- Non-Operating revenues increased from $40 million to $40.5 million.
- Total Assets increased from $121.7 million to $132 million.
- Total Liabilities decreased from $17.3 million to $7.5 million.

Accounting Treatment of Financial Aid

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

Overview of the Financial Statements and Financial Analysis

The financial statements for fiscal year ended June 30, 2022 are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. There are three financial statements presented: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These statements present financial information in a form similar to that used by most private-sector companies. These financial statements focus on the financial condition of the College, the results of operations, and cash flows of the College as a whole.

Statement of Net Position

The Statement of Net Position presents the assets (current and non-current), deferred outflows, liabilities (current and non-current), deferred inflows, and net position (assets and deferred outflow of resources minus liabilities and deferred inflow of resources) of the College as of the current fiscal year-end. The purpose of the Statement of Net Position is to present to the reader a point-in-time fiscal snapshot of the College. Current assets consist of available cash and other assets that could be converted to cash within a year. Non-current assets are those assets and property, which cannot easily be converted into cash. Current liabilities are business obligations that are due to be cleared within one year. Non-current liabilities are obligations that are not required to be satisfied within one year.

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

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

Net position is divided into three major categories. The first category is Net Investment in Capital Assets, which provides the College's investment in capital assets net of any associated debt. The second category, Restricted Net Position, must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The third category, Unrestricted Net Position, which is net position available to the College for any lawful purpose of the institution.

Summary of Statements of Net Position
Fiscal Years Ended June 30

	2022	2021**
Current and Other Assets	$ 69,142,652	$ 61,717,821
Capital Assets, net	62,957,244	60,001,925
Total assets	132,099,896	121,719,746
Deferred Outflows of Resources	7,234,204	4,749,677
Total assets and deferred outflows of resources	$ 139,334,100	$ 126,469,423
Current Liabilities	$ 3,659,127	$ 3,363,585
Noncurrent Liabilities	3,868,381	13,911,230
Total liabilities	7,527,508	17,274,815
Deferred Inflows of Resources	13,400,542	1,625,545
Net Position		
Net investment in capital assets	62,952,150	60,001,925
Restricted-expendable	7,925,560	5,627,303
Unrestricted	47,528,340	41,939,835
Total net position	118,406,050	107,569,063
Total liabilities, deferred inflows of resources, and net position	$ 139,334,100	$ 126,469,423

**NOTE: GASB 87 was not applied to prior year balances.

The College's total assets and deferred outflows of resources increased during fiscal year 2022 by $12,864,677, from $126,469,423 in 2021 to $139,334,100 in 2022. Specifically contributing to the increase in assets was the increase in cash and investments. The College's total liabilities decreased during fiscal year 2022 by $9,747,307 from $17,274,815 in 2021 to $7,527,508 in 2022. This decrease is attributed to the shift of the net pension liability to a net pension asset due to the fluctuations in the market this past year. Deferred Inflows of Resources increased from $1,625,545 in fiscal year 2021 to $13,400,542 in fiscal year 2022. This was the result of an increase in Deferred Inflows of Resources associated with net pension.

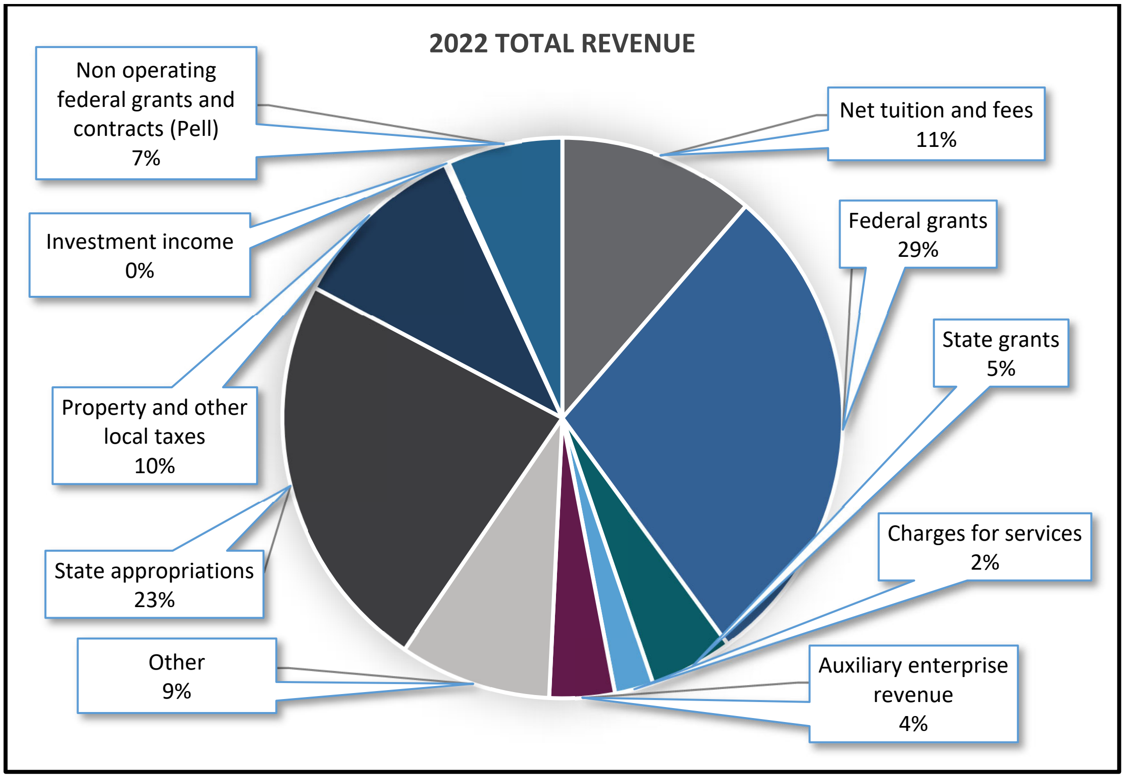
The increase in assets is a result of senior management's continuing emphasis on sound fiscal management. Additionally, College senior management has focused on incurring ongoing expense only when necessary, and makes every effort to ensure that ongoing spending is well within actual revenue. This includes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

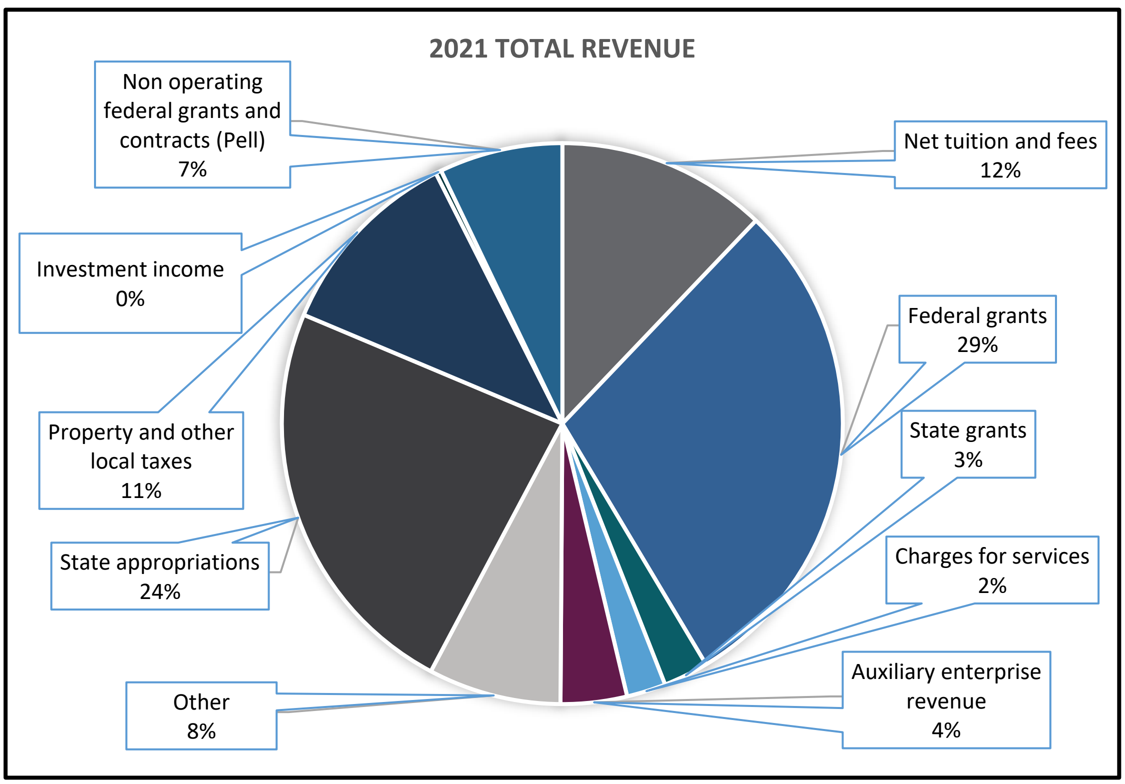
Statement of Revenues, Expenses, and Changes in Net Position

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

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

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


2022 TOTAL REVENUE
Non operating federal grants and contracts (Pell) 7%
Net tuition and fees 11%
Investment income 0%
Federal grants 29%
State grants 5%
Property and other local taxes 10%
State appropriations 23%
Charges for services 2%
Other 9%
Auxiliary enterprise revenue 4%

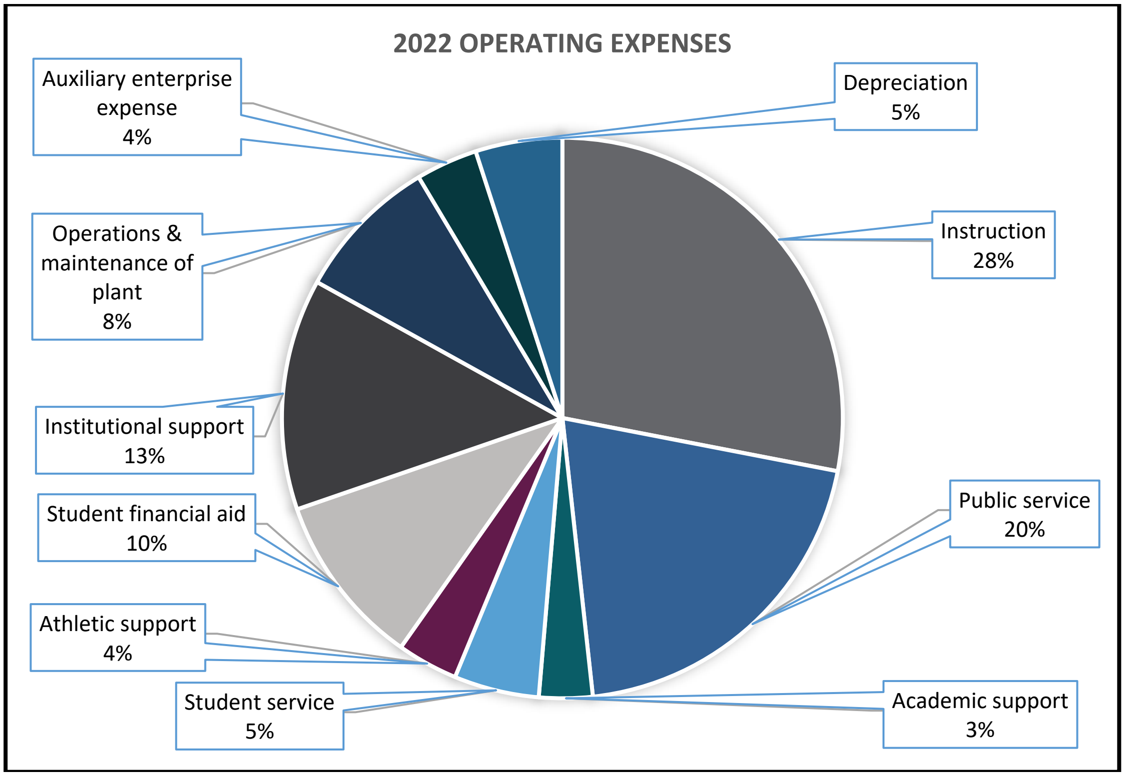

2021 TOTAL REVENUE
Non operating federal grants and contracts (Pell) 7%
Net tuition and fees 12%
Investment income 0%
Federal grants 29%
State grants 3%
Property and other local taxes 11%
State appropriations 24%
Charges for services 2%
Other 8%
Auxiliary enterprise revenue 4%

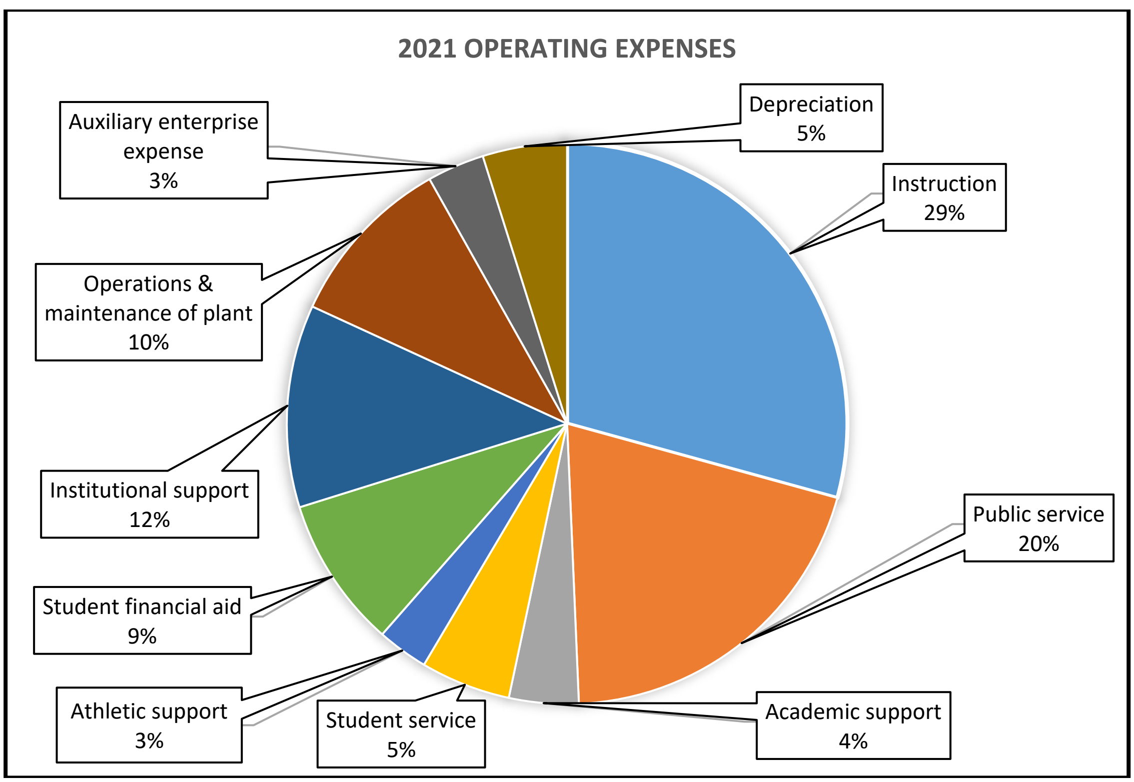
Summary of Statements of Revenues, Expenses, and Changes in Net Position
Fiscal Years Ended June 30

	2022	2021**
Operating Revenues	$ 58,594,586	$ 51,117,719
Operating Expenses	88,980,442	85,478,296
Operating income (loss)	(30,385,856)	(34,360,577)
Non-Operating Revenues (Expenses)		
State appropriations	22,827,700	20,859,200
Property and other local taxes	10,178,703	9,918,872
Investment income (loss)	(283,814)	301,580
Private gifts, grants, and contract	628,874	424,770
Gain or (loss) on disposal of fixed assets	(259,277)	-
Non-operating federal grants and contracts (Pell)	6,585,980	6,295,089
Other non-operating revenues (donations, rent)	852,276	2,208,836
Total non-operating revenues (expenses)	40,530,442	40,008,347
Capital Contributions	692,401	569,954
Change in Net Position	10,836,987	6,217,724
Net Position, Beginning of Year	107,569,063	101,351,339
Net Position, End of Year	$ 118,406,050	$ 107,569,063

**NOTE: GASB 87 was not applied to prior year balances.

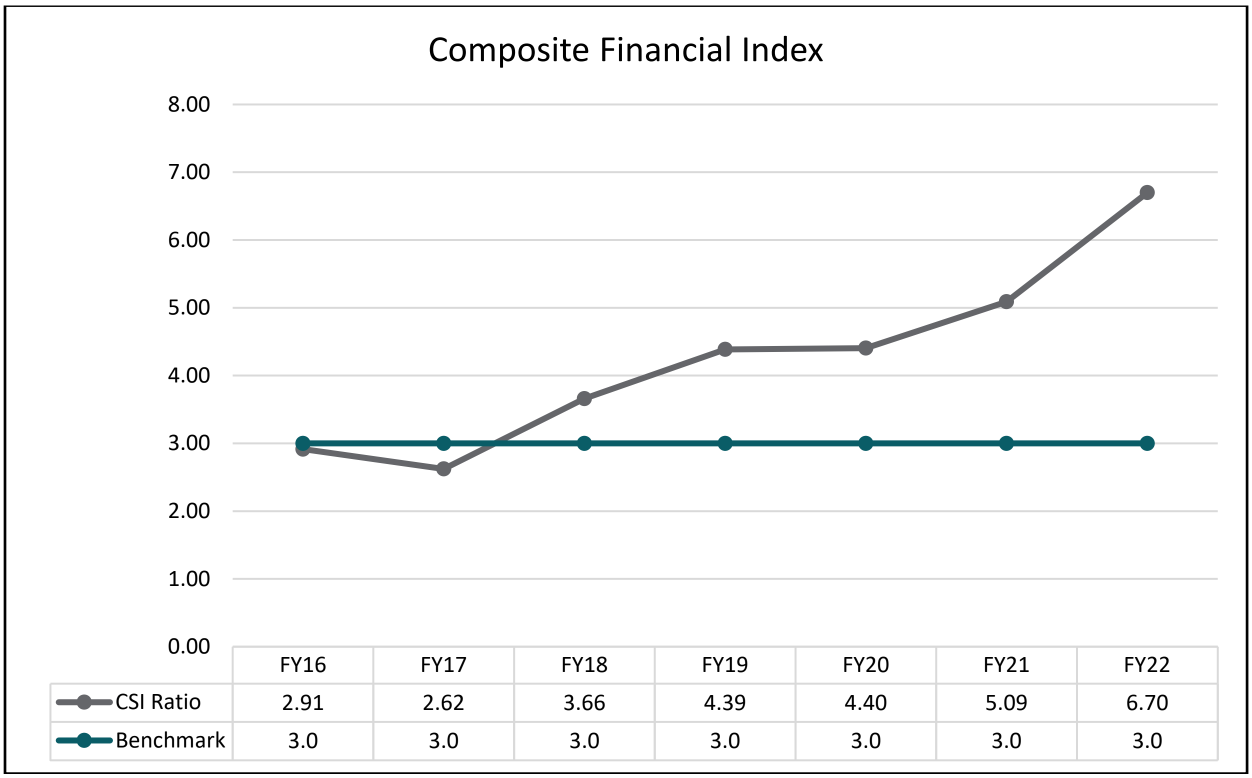
The Statement of Revenues, Expenses, and Changes in Net Position reflects an overall increase in net position during fiscal year 2022. Operating revenues increased by $7.5 million from $51,117,719 in 2021 to $58,594,586 in 2022. This change was a result of an increase in federal and state grant revenue, specifically the receipt of Federal COVID Relief Funds and State funds for Project Z Degree and Building Idaho's Future. Operating expenses increased by $3.5 million from $85,478,296 in 2021 to $88,980,442 in 2022. The increase in operating expenses was due to purchases made during the ordinary course of business.


2022 OPERATING EXPENSES
Auxiliary enterprise expense 4%
Depreciation 5%
Operations & maintenance of plant 8%
Instruction 28%
Institutional support 13%
Student financial aid 10%
Public service 20%
Athletic support 4%
Student service 5%
Academic support 3%


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

Financial Health Indicators

Many ratios are used to evaluate the financial health of institutions of higher learning, the Composite Financial Index (CFI) utilizes four ratios to measure the financial health of an organization. The CFI, weights and combines the ratios into a single metric, which provides a more balanced view of the institution's financial health. The graph that follows shows the CFI of the College of Southern Idaho over the past seven years compared to the benchmark established by the State Board of Education for universities in the State of Idaho.



Capital Assets

The College's investment in Capital Assets as of June 30, 2022 equates to $62,957,244 net of accumulated depreciation. Investment in Capital Assets normally includes land, buildings, improvements, machinery and equipment, library holdings, and infrastructure. See Note 5 for further information.

Debt Administration

The College of Southern Idaho has right to use assets consisting of office space, a postage machine, and three copy machines at fiscal year end June 30, 2022. The College is not financing any of its operations with debt as of fiscal year end June 30, 2022 outside the lease agreements previously discussed. See Note 4.

Economic Outlook

The national trend in higher education has been stable enrollment trending toward negative with little to no growth and projected flat revenues and tighter operating margins.

Due to enhanced efforts made in marketing, recruitment and retention the College experienced an increase in enrollment in fiscal year 2022. Enrollment fluctuations were anticipated in the College's budgeting process and appropriate steps were taken early on to ensure fiscal stability and sustainability for the College. The College continues to actively implement improvements and new programs to increase retention.

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

Contacting the College's Financial Management

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

Assets and Deferred Outflows of Resources	
Current Assets	
Cash and cash equivalents	$ 3,009,372
Investments	52,249,449
Accounts receivable, net of allowance for uncollectible amount of $ 103,864	5,492,207
Property tax receivable	3,372,990
Lease receivable, current	8,376
Inventory	255,042
Prepaids	54,519
Total current assets	64,441,955
Noncurrent assets	
Property and equipment, net of accumulated depreciation	62,957,244
Right to use asset, net of accumulated amortization	183,987
Lease receivable, noncurrent	377,140
Net Pension asset	351,554
Net OPEB sick reserve asset	3,788,016
Total noncurrent assets	67,657,941
Total assets	132,099,896
Deferred Outflows of Resources	
Pension obligations	6,629,442
OPEB single employer plan	133,775
OPEB sick leave reserve fund	470,987
Total deferred outflows of resources	7,234,204
Total Assets and Deferred Outflows of Resources	$ 139,334,100

Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable	$	1,175,634
Deposits payable		123,296
Accrued salaries		1,066,664
Accrued benefits		489,703
Due to student groups		354,095
Unearned revenue		390,141
Lease liability - current portion		59,594
Total current liabilities		3,659,127
Non Current Liabilities		
Accrued vacation		1,466,319
Lease liability - long-term		129,487
Total other post employment benefits liability		2,272,575
Total noncurrent liabilities		3,868,381
Total liabilities		7,527,508
Deferred Inflows of Resources		
OPEB single employer plan		556,189
OPEB sick leave reserve fund		902,295
Pension obligations		11,558,258
Lease payments		383,800
Total deferred inflows of resources		13,400,542
Net Position		
Net investment in capital assets		62,952,150
Restricted - expendable		
OPEB net asset, sick leave		3,356,708
State, federal, and local programs		4,568,852
Unrestricted		47,528,340
Total net position		118,406,050
Total Liabilities, Deferred Inflows of Resources and Net Position	$	139,334,100

Operating Revenues	
Tuition and fees	$ 17,844,859
Less: Scholarship allowance	(6,672,413)
Net tuition and fees	11,172,446
Federal grants	28,150,530
State grants	4,723,433
Charges for services	2,197,121
Auxiliary enterprise revenue	3,703,133
Other	8,647,923
Total operating revenues	58,594,586
Operating Expenses	
Instruction	24,954,581
Public service	17,987,186
Academic support	2,740,254
Student service	4,365,797
Athletic support	3,127,298
Student financial aid	8,858,580
Institutional support	11,870,078
Operations & maintenance of plant	7,396,871
Auxiliary enterprise expense	3,171,989
Amortization Expense	60,361
Depreciation	4,447,447
Total operating expenses	88,980,442
Operating Loss	(30,385,856)
Non-Operating Revenues (Expenses)	
State appropriations	22,827,700
Property and other local taxes	10,178,703
Investment income (loss)	(283,814)
Private gifts, grants, and contracts	628,874
Gain or (loss) on disposal of fixed assets	(259,277)
Non operating federal grants and contracts (Pell)	6,585,980
Other non-operating revenues (donations, rent)	852,276
Total non-operating revenues	40,530,442
Increase (Decrease) in Net Position Before Capital Contributions	10,144,586
Capital Contributions	692,401
Change in Net Position	10,836,987
Net Position, Beginning of Year	107,569,063
Net Position, End of Year	$ 118,406,050

Operating Activities	
Tuition, fees and services	$ 10,727,258
Grants and contracts	33,886,195
Payments to suppliers	(35,176,330)
Payments to and on behalf of employees	(51,518,647)
Charges for services	2,197,121
Auxiliary enterprise revenue:	
Bookstore and residence halls	3,703,133
Other receipts	8,647,923
Net Cash used for Operating Activities	(27,533,347)
Noncapital Financing Activities	
State appropriations	22,827,700
Property and other local taxes	10,043,968
Grants and contracts	7,214,854
Gifts and grants received for other than capital purposes	852,276
Net Cash from Noncapital Financing Activities	40,938,798
Capital and Related Financing Activities	
Proceeds from sale of capital assets	4,725
Lease payments	(115,029)
Purchases of capital assets	(6,974,367)
Net Cash used for Capital and Related Financing Activities	(7,084,671)
Investing Activities	
Net investment income (loss)	(283,814)
Lease receipts	8,599
Purchase of investments	(29,627,223)
Sale of investments	15,232,311
Net Cash used for Investing Activities	(14,670,127)
Net Change in Cash	(8,349,347)
Cash and Cash Equivalents, Beginning of Year	11,358,719
Cash and Cash Equivalents, End of Year	$ 3,009,372

Reconciliation of net operating loss to net cash used for operating activities	
Operating loss	$ (30,385,856)
Adjustments to reconcile net operating loss to net cash used for operating activities	
Depreciation expense	4,447,447
Amortization expense	60,361
GASB 68 - actuarial pension expense (revenue)	(2,393,236)
GASB 75 - Single Employer OPEB expense (revenue)	18,862
GASB 75 - PERSI/OPEB sick leave reserve fund expense (revenue)	(269,366)
GASB 87 - Lease liabilities and intangible right to use asset	58,046
Change in assets and liabilities	
Receivables, net	577,431
Inventories	(33,956)
Prepaids	(17,525)
Leases	(8,599)
Accounts payable	283,735
Accrued vacation	177,096
Unearned revenue	(10,387)
Deposits held for others	2,609
Accrued compensation	(40,009)
Net Cash used for Operating Activities	$ (27,533,347)
Non- Cash Disclosures	
Donated Property	$ 692,401

Assets	
Cash	$ 903,595
Operating investments	27,043,855
Endowment	
Cash	33,654
Investments	18,453,391
Donated property	995,250
Total endowment	19,482,295
Total assets	$ 47,429,745
Liabilities and Net Assets	
Liabilities	
Accounts payable	$ 154,742
Annuities payable	21,472
Total liabilities	176,214
Net Assets	
Without donor restrictions	
Board designated for future scholarships	9,008,522
Board designated for operations	1,461,593
With donor restrictions	
Perpetual in nature	19,873,975
Purpose restrictions	17,301,121
Underwater endowments	(391,680)
Total net assets	47,253,531
Total liabilities and net assets	$ 47,429,745

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Contributions of cash and other financial assets	$ 148,814	$ 5,036,546	$ 5,185,360
Investment return, net	(945,628)	(3,300,485)	(4,246,113)
In-kind salaries and occupancy	265,066	-	265,066
Net assets released from restrictions	1,913,983	(1,913,983)	-
Total revenue, support, and gains	1,382,235	(177,922)	1,204,313
Expenses			
Program services expense			
Scholarships and grants	2,250,688	-	2,250,688
Other program payments	665,897	-	665,897
Total program services expense	2,916,585	-	2,916,585
Supporting services expense			
Management and general	274,582	-	274,582
Fundraising	113,742	-	113,742
Total supporting services expense	388,324	-	388,324
Total expenses	3,304,909	-	3,304,909
Change in Net Assets	(1,922,674)	(177,922)	(2,100,596)
Net Assets, Beginning of Year	12,392,789	36,961,338	49,354,127
Net Assets, End of Year	$ 10,470,115	$ 36,783,416	$ 47,253,531

Note 1 - Principal Business Activity and Significant Accounting Policies

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

Reporting Entity

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

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

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

Basis of Accounting and Presentation

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally property taxes, federal and state grants, and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements. Operating revenues and expenses include exchange transactions and program-specific, government-mandated nonexchange transactions.

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

Cash and Cash Equivalents

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

Investments

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

Receivables

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

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

Property Tax Receivable

Property taxes that are levied through 2021 and have not been collected as of June 30 are carried as receivables. Assessed values are established by the County Assessor in Twin Falls and Jerome County (the District's). Property tax payments are due in one-half installments in December and June. The District's property tax is levied each November on the assessed value listed as of the prior September for all taxable property located in the District.

Inventories

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

Capital Assets

Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated acquisition value at the date of the gift. For equipment, the College's capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life of greater than one year. For buildings and improvements, the College's capitalization policy includes all items with a unit cost of $50,000 or more and an estimated useful life of greater than one year. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful life of each asset. The following estimated useful lives are being used by the College:

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

Prepaid Expenses

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

Unearned Revenue

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

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Included in this category is the employer deferred pension obligation, the deferred other postemployment benefit obligation (OPEB), and deferred charge on debt refunding. See notes 7 and 9 for more information.

Deferred inflows of resources represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. This includes the employer deferred pension obligation, future lease receivable receipts, and the deferred OPEB obligation. See notes 4, 7, and 9 for more information.

Pensions

For purposes of measuring the net pension liability (asset) and pension expense (revenue), information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post Employment Benefits (OPEB)

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

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

Net Position

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

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

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

Unrestricted - Unrestricted represents resources derived from student fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions related to the educational and general operations of the College, and may be used at the discretion of the institution to meet current expenses for any lawful purpose and in accordance with State Board of Education Policy. Included in unrestricted net position is $17,111,762 of board-designated funds associated with future capital projects.

Classification of Revenues

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

Operating Revenues – Operating revenues include activities that have the characteristics of exchange transactions, such as: student tuition and fees, net of scholarship discounts and allowances; sales and services of auxiliary enterprises, and contracts and federal appropriations.

Non-operating Revenues – Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 34 and 35, such as state appropriations, property taxes and most federal, state and local grants, and investment income.

Revenue Recognition

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

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net position during the reporting period. Actual results could differ from those estimates.

Income Taxes

As a state institution of higher education, the income of the College is generally exempt from federal and state income taxes under Section 115 (a) of the Internal Revenue Code and a similar provision of state law. The College is liable for tax on its unrelated business income. Defined by the Internal Revenue Code, unrelated business income is income from a trade or business, regularly carried on, that is not substantially related to the performance by the College of its exempt purpose or function. The College did not incur unrelated business income tax expense in the fiscal year ended June 30, 2022.

Scholarship Discounts and Allowances

Student fee revenues are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount paid by students or other third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants and other federal, state, or nongovernmental programs, are recorded as either operating or non-operating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy student fees and related charges, the College has recorded a scholarship discount and allowance.

Implementation of GASB Statement No. 87

As of July 1, 2021, the College adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. The standard requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The additional disclosures required by this standard is included in Note 4. There was no restatement of beginning net position as a result of the implementation of this standard.

Note 2 -   Cash and Investments

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

Cash Deposits

The deposit amounts subject to custodial credit risk at June 30, 2022, consisted of the following:

	Bank Balance	Carrying Amount
Cash		
Insurred or collateralized	$ 3,837,687	$ 3,009,347
Uninsured or uncollateralized	-	25
Total deposits	$ 3,837,687	$ 3,009,372
Investments		
Nonbrokered Certificates of Deposit		
Insured or collateralized	$ 1,000,025	$ 1,000,025

Investments

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

		Investment Maturities		
College Investments	Value	< 1 year	1-5 years	Percentage
Brokered Certificates of Deposits	$ 12,050,217	$ 9,048,944	$ 3,001,273	23.06%
Certificates of Deposits Held at Local Banks	1,000,025	1,000,025	-	1.91%
State Treasurer Investment Pool	27,988,749	27,988,749	-	53.57%
Fixed Income	11,210,458	1,872,106	9,338,352	21.46%
	$ 52,249,449	$ 39,909,824	$ 12,339,625	100%

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. At June 30, 2022, $25, of the College's deposits were uninsured and uncollateralized. The College does not have a policy that specifically addresses custodial credit risk, however; the College follows Idaho code, Title 50, Chapter 10 discussed above.

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

Credit Risk

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

College Investments	Fair Value	AAA	AA+	AA-	A+	A	A-	BB-	BBB	BBB-	Unrated
Brokered Certificates of Deposits	$ 12,050,217	$ 5,496,593	$ 703,830	$ 1,099,273	$ 1,003,051	$ 745,971	$ 1,251,590	$ 249,877	$ 250,143	$ 250,158	$ 999,731
State Treasurer Investment Pool	27,988,749	-	-	-	-	-	-	-	-	-	27,988,749
Fixed Income	11,210,458	10,984,007	226,451	-	-	-	-	-	-	-	-
	$ 51,249,424	$ 16,480,600	$ 930,281	$ 1,099,273	$ 1,003,051	$ 745,971	$ 1,251,590	$ 249,877	$ 250,143	$ 250,158	$ 28,988,480

Interest Rate Risk

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

Concentration of Credit Risk

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

Investment Valuation

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

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

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

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

Investments' fair value measurements are as follows at June 30, 2022:

	Total	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Brokered Certificates of deposit	$ 12,050,217	$ -	$ 12,050,217	$ -
Fixed Income				
U.S. Government obligations	11,210,458	-	11,210,458	-
Total	$ 23,260,675	$ -	$ 23,260,675	$ -

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

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

Note 3 - Accounts Receivable

The following summarizes the accounts receivable as of June 30, 2022:

Federal, state and private grants	$ 4,575,478
Student	635,473
Other	385,120
Total	5,596,071
Less allowance	(103,864)
Total accounts receivable	$ 5,492,207

Note 4 - Leases

Lessee:

The College entered an agreement to lease a postage machine for sixty months, beginning May 11, 2021. The lease terminates June 2026. Under the terms of the lease, the College pays $487 per month over the life of the agreement. At June 30, 2022, the College has recognized a right to use asset of $21,861 and a lease liability of $22,144 related to this agreement. During the fiscal year, the College recorded $5,465 in amortization expense and $657 in interest expense for the right to use the postage machine. The College used the incremental discount rate of 2.63%, based on the five-year government treasury yields for the same periods.

The College entered into a lease agreement effective November 1, 2019 for $3,691 per month and increasing by 3% each year with Select Commercial Property Services LLC for STAR Program to rent a building in Garden City, Idaho. The lease terminates October 2025. Additional rent may be required if the estimate on the charges for common area maintenance and building insurance increase over the term of the lease. The College has the option to cancel the lease early if the State funding is discontinued. The College is responsible for all utilities and maintenance except the Landlord's obligation to warranty the HVAC system. At June 30, 2022, the College has recognized a right to use asset of $140,024 and a lease liability of $143,953 related to this agreement. During the fiscal year, the College recorded $42,007 in amortization expense and $4,334 in interest expense for the right to use the office space. The College used the incremental discount rate of 2.63%, based on the five-year government treasury yields for the same periods.

The College entered an agreement to lease a copy machine for sixty months, beginning October 2020. The lease terminates October 2025. Under the terms of the lease, the College pays $206 per month over the life of the agreement. At June 30, 2022, the College has recognized a right to use asset of $7,703 and a lease liability of $7,871 related to this agreement. During the fiscal year, the College recorded $2,311 in amortization expense and $239 in interest expense for the right to use the copy machine. The College used the incremental discount rate of 2.63%, based on the five-year government treasury yields for the same periods.

The College entered an agreement to lease a copy machine for sixty months, beginning November 2017. The lease terminates December 2022. Under the terms of the lease, the College pays $213 per month over the life of the agreement. At June 30, 2022, the College has recognized a right to use asset of $1,196 and a lease liability of $1,268 related to this agreement. During the fiscal year, the College recorded $2,391 in amortization expense and $69 in interest expense for the right to use the copy machine. The College used the incremental discount rate of 2.63%, based on the five-year government treasury yields for the same periods.

The College entered an agreement to lease a copy machine for sixty months, beginning October 2018. The lease terminates September 2023. Under the terms of the lease, the College pays $882 per month over the life of the agreement. At June 30, 2022, the College has recognized a right to use asset of $13,203 and a lease liability of $13,845 related to this agreement. During the fiscal year, the College recorded $9,902 in amortization expense and $508 in interest expense for the right to use the copy machine. The College used the incremental discount rate of 2.63%, based on the five-year government treasury yields for the same periods.

The College amortized the right to use assets as follows during the fiscal year:

Right of Use Asset	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Copier #1	$ 11,555	$ -	$ -	$ 11,555
Copier #2	11,956	-	-	11,956
Copier #3	49,512	-	-	49,512
Postage machine	-	27,325	-	27,325
Star building	-	182,031	-	182,031
	$ 73,023	$ 209,356	$ -	$ 282,379

Right of Use Asset - Accumulated Amortization	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Copier #1	$ (1,541)	$ (2,311)	$ -	$ (3,852)
Copier #2	(8,369)	(2,391)	-	(10,760)
Copier #3	(26,406)	(9,902)	-	(36,308)
Postage machine	-	(5,465)	-	(5,465)
Star building	-	(42,007)	-	(42,007)
	$ (36,316)	$ (62,076)	$ -	$ (98,392)
Total right of use asset, net of accumulated amortization				$ 183,987

Future payments under the lease obligations are as follows:

Years ended June 30,	Principal	Interest	Total
2023	$ 59,594	$ 4,253	$ 63,847
2024	54,096	2,729	56,825
2025	53,304	1,347	54,651
2026	22,088	174	22,262
	$ 189,082	$ 8,503	$ 197,585

Lessor:

The College leases a portion of its facilities for cellular tower antenna sites. The agreement is a 30-year lease, beginning January 2016. The agreement states a 2.5% annual increase to the license payments. At termination, lessee must remove all equipment and restore the site to its original state. During the fiscal year, The College recognized $8,599 in lease revenue and $10,284 in interest income related to these agreements. At June 30, 2022, the College recorded $385,516 in lease receivables and $383,800 in deferred inflows of resources for these agreements. The College used an interest rate of 2.88%, based on the thirty-year government treasury yields for the same periods.

Lease Receivable	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Lease agreement	$ 394,115	$ -	$ (8,599)	$ 385,516	$ 8,376
	$ 394,115	$ -	$ (8,599)	$ 385,516	$ 8,376

Remaining amounts to be received associated with these leases are as follows:

Years Ended June 30,	Principal	Interest	Total
2023	$ 8,376	$ 10,994	$ 19,370
2024	8,835	10,746	19,581
2025	9,321	10,486	19,807
2026	9,832	10,211	20,043
2027	10,372	9,920	20,292
2028-2032	61,058	44,659	105,717
2033-2037	79,767	34,602	114,369
2038-2042	104,209	21,464	125,673
2043-2046	93,746	5,104	98,850
	$ 385,516	$ 158,186	$ 543,702

Note 5 - Capital Assets

Property, plant and equipment at June 30, 2022, consisted of the following:

	Balance June 30, 2021	Additions & Transfers	Retirements & Transfers	Balance June 30, 2022
Property, plant and equipment not being depreciated				
Land	$ 3,310,759	$ -	$ -	$ 3,310,759
Construction in progress	1,114,533	1,390,074	(1,111,890)	1,392,717
Total property, plant and equipment Not being depreciated	4,425,292	1,390,074	(1,111,890)	4,703,476
Other property, plant and equipment				
Buildings and improvements	111,283,879	4,228,831	(792,002)	114,720,708
Equipment	9,124,389	3,147,849	(60,000)	12,212,238
Library resources	586,733	11,904	-	598,637
Total other property, plant and equipment	120,995,001	7,388,584	(852,002)	127,531,583
Less accumulated depreciation				
Buildings and improvements	58,993,186	3,378,724	(528,000)	61,843,910
Equipment	5,899,968	1,052,561	(60,000)	6,892,529
Library resources	525,214	16,162	-	541,376
Total accumulated depreciation	65,418,368	4,447,447	(588,000)	69,277,815
Other property, plant and equipment Net of accumulated depreciation	55,576,633	2,941,137	(264,002)	58,253,768
Property, plant and equipment, net	$ 60,001,925	$ 4,331,211	$ (1,375,892)	$ 62,957,244

Note 6 - Property Taxes

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

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

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

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

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

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

Note 7 - Pension Plan

Plan Description

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

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2021 it was 7.16% for general employees. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees. The College's contributions were $2,076,089 for the year ended June 30, 2022.

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

At June 30, 2022, the College reported a liability (asset) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2021, 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 College's proportion of the net pension liability (asset) was based on the College's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. For the years ended June 30, 2022 and 2021, the College's proportion was .44512935 percent and .4536908 percent, respectively.

For the year ended June 30, 2022, the College recognized pension expense (revenue) of ($2,393,236). At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 517,966	$ 204,347
Changes in assumptions or other inputs	4,035,387	-
Net difference between projected and actual earnings on pension plan investments	-	11,042,040
Changes in the employer's proportion differences between the employer's contributions and the employer's proportionate contributions - 2020	-	69,290
Changes in the employer's proportion differences between the employer's contributions and the employer's proportionate contributions - 2021	-	124,693
Changes in the employer's proportion differences between the employer's contributions and the employer's proportionate contributions - 2022	-	117,888
College contributions subsequent to the measurement date	2,076,089	-
Total	$ 6,629,442	$ 11,558,258

$2,076,089 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2020 the beginning of the measurement period ended June 30, 2021 is 4.6 years.

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

Years Ending June 30	
2023	$ (1,691,850)
2024	$ (1,528,604)
2025	$ (1,305,013)
2026	$ (2,479,438)

Actuarial Assumptions

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

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary Increases including inflation	3.05%
Investment Rate of Return	6.35%
Cost of Living Adjustments	1%

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

General Employees and All Beneficiaries – Males Pub-2010 General Tables, increased 11%.
General Employees and All Beneficiaries – Females Pub-2010 General Tables, increased 21%.
Disabled Members – Males Pub-2010 Disabled Tables, increased 38%.
Disabled Members – Females Pub-2010 Disabled Tables, increased 36%.

Assumptions used to calculate the enclosed figures are described in our 2021 Experience Study. The total pension liability (asset) as of June 30, 2022 is based on the results of an actuarial valuation date of July 1, 2021.

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

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

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

Capital Market Assumptions from Callen 2021

Asset Class	Expected Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	-0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%

Investment Policy Assumption from PERSI November 2019

Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses	4.14%
Portfolio Standard Deviation	14.16%

Economic/Demographic Assumptions from Milliman 2021

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

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	$ 12,220,765	$ (351,554)	$ (10,657,336)

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, 2022, the College reported payables to the defined benefit pension plan of $0 for legally required employer contributions and $0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Optional Retirement Plan

Effective July 1, 1997, the Idaho State Legislature authorized the Idaho State Board of Education's to establish an Optional Retirement Plan (ORP), a defined contribution plan, for faculty and exempt employees. The employee contribution requirement for the ORP is based on a percentage of total payroll. Employer contributions are determined by the State of Idaho.

New faculty and exempt employees hired July 1, 1997 or thereafter automatically enroll in the ORP and select their vendor option. Faculty and exempt employees hired before July 1, 1997 had a one-time opportunity to enroll in the ORP. Enrollees in the ORP no longer belong to PERSI. Vendor options include Teachers Insurance and Annuity Associations - College Retirement Equities Fund and Variable Annuity Life Insurance Company.

Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 62 years of age. The College of Southern Idaho contributions required and paid were $1,492,470 for the year ended June 30, 2022.

Termination Benefits

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

Note 8 - Post-Employment HealthCare Plan

Plan Description

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

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

Funding Policy

The College has not established a fund to supplement the costs for the net OPEB obligation. Contributions are made on a pay-as-you-go basis. The required contribution is based on projected pay-as-you-go financing requirements. Retirees are required to pay 100 percent of the premiums based on the combined active and retiree pool for both the retiree and the dependent coverage. Monthly rates in effect for retirees under age 65 during fiscal year 2022 were as follows:

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

Total OPEB Liability

The College's total OPEB liability of $2,272,575 was valued as of July 1, 2020 and the measurement date was as of June 30, 2021.

Actuarial assumptions and other inputs

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

Actuarial Cost Method	Entry Age Normal
Inflation	2.20%
Salary Increases	2.95% general wage growth plus increase due to promotions and longeivty
Discount Rate	2.16%, based on the 20 year Tax-Exempt Municipal Bond Yield Index
Health Cost Trend Rates	Medical trend is 0% from year ending June 30, 2021 then gradually increasing to an ultimate rate of 4.9% for 2024 and settled at 3.7% in 2100 and beyond. Dental and vision trend is 0% from year ending June 30, 2020 then 3.5% thereafter.
Mortality	Mortality is RP-2000 Mortality for employees, healthy annuitants and disabled annuitants with disabled annuitants with generational projection per Scale AA with adjustments as referenced to Table A-7B of the July 1, 2020 valuation report.

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

Balance as of June 30, 2021	$ 2,086,707
Changes for the year:	
Service Cost	209,673
Interest on total OPEB liability	49,849
Effect of assumptions changes or inputs	8,383
Expected benefit payments	(82,037)
Balance as of June 30, 2022	$ 2,272,575

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

The following presents the total OPEB liability of the College, calculated using the discount rate of 2.16%, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage point lower (1.16%) or 1- percentage point higher (3.16%) than the current healthcare cost trend rates:

	1% Decrease 1.16%	Current Discount Rate 2.16%	1% Increase 3.16%
Total OPEB liability	$ 2,444,052	$ 2,272,575	$ 2,108,897

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

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

	1% Decrease	Current Rend Rates	1% Increase
Total OPEB liability	$ 1,975,662	$ 2,272,575	$ 2,629,238

OPEB Expense

For the year ended June 30, 2022, the College recognized OPEB expense (revenue) of $18,862. At June 30, 2022, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 167,687
Changes of Assumptions	42,663	388,502
College contributions subsequent to the measurement date	91,112	-
Total	$ 133,775	$ 556,189

$91,112 reported as deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date will be recognized as an addition of the net OPEB liability in the year ending June 30, 2022.

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

Measurement Period Ending June 30:		
2022	$	(149,548)
2023	$	(149,548)
2024	$	(126,543)
2025	$	(36,409)
2026	$	(43,869)
Thereafter	$	(7,609)

Note 9 - Other Post Employment Benefits – PERSI Sick Leave Insurance Reserve Fund

Plan Descriptions and Funding Policy

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

OPEB Benefits

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

Employer Contributions

The contribution rate for employers are set by statute at .065% of covered compensation for state members. Covered school members contribution rates are set by statute based on the number of sick days offered by the employer. The contribution rate of 1.16% for school members with nine or ten sick days, 1.26% for school members with 11-14 sick days. If a school member has more than 14 days of sick leave then the contribution rate will be set by the PERSI Retirement board based on current cost and actuarial data and reviewed annually. During 2020, the PERSI Board issued a premium holiday effective January 1, 2020 through June 30, 2026. During this time, the College is not required to contribute to the Plan.

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

At June 30, 2022, the College reported an asset for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. The College's proportion of the net OPEB asset was based on the College's share of contributions relative to the total contributions of all participating Sick Leave employers. At June 30, 2022 and 2021, the College proportion was 2.0818502 percent and 2.0818502 percent respectively.

For the year ended June 30, 2022, the College recognized OPEB expense (revenue offset) of ($269,366). At June 30, 2022 the College reported deferred outflow of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 18,129	$ 121,795
Differences between actual and expected earnings on investments	150,188	624,758
Changes of assumptions or other inputs	-	155,742
Changes in proportionate share	302,670	-
Total	$ 470,987	$ 902,295

$0 reported as deferred outflows of resources related to pensions resulting from contributions made subsequent to the measurement date will be recognized as an addition to the net OPEB liability in the year ending June 30, 2022.

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

The amortization period is based on the remaining service lives of all the employees that are provided with OPEB through the System determined at the beginning of the measurement period. The amortization period was calculated at 7.7 years. The amortization of the net difference between projected and actual investment earnings on OPEB plan investments is amortized over a closed 5-year period inclusive of this fiscal year.

Measurement Period Ending June 30:	
2023	$ (145,100)
2024	$ (128,499)
2025	$ (107,484)
2026	$ (130,003)
2027	$ 37,974
Thereafter	$ 41,804

Actuarial Assumptions

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

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

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

Capital Market Assumptions from Callen 2021

Asset Class	Expected Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	50.00%	2.80%	-0.20%
US/Global Equity	39.30%	8.00%	6.00%
International Equity	10.70%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.14%
Portfolio Standard Deviation			14.16%
Valuation Assumptions Chosen by PERSI Board			
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			3.15%
Assumed Inflation			2.30%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses			**5.45%**

Discount Rate

The discount rate used to measure the total OPEB liability was 5.45%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the OPEB plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The long-term expected rate of return was determined net of OPEB plan investment expense but without reduction for OPEB plan administrative expense.

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the Employer's proportionate share of the net OPEB asset calculated using the discount rate of 5.45 percent, as well as what the Employer's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (4.45 percent) or 1-percentage-point higher (6.45 percent) than the current rate:

	1% Decrease (4.45%)	Current Discount Rate (5.45%)	1% Increase (6.45%)
Employer's proportionate share of the net OPEB liability (asset)	$ (3,632,050)	$ (3,788,016)	$ (3,930,962)

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the OPEB plan

At June 30, 2022, the College reported payables to the defined benefit OPEB plan of $0 for legally required employer contributions and $0 for legally required employee.

Note 10 - Contingencies

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

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

Note 11 - Risk Management

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

Note 12 - Natural Classifications

Salaries and wages	$ 34,443,356
Benefits	14,645,037
Services	16,877,286
Supplies	7,629,893
Other	10,877,062
Depreciation	4,447,447
Amortization	60,361
Total operating expenses	$ 88,980,442

Note 13 - Commitments

The College is currently in the process of remodeling Taylor building kitchen. The total estimated construction cost is $2,500,000. Total costs incurred as of June 30, 2022 totaled $504,921 for the remodel.

Note 14 - Component Unit Disclosure

Foundation Operations and Significant Accounting Policies

Foundation Operations

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

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

Liquidity and Availability

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

Cash	$ 903,595
Operating investments	27,043,855
Endowment spending rate distribution and appropriation	1,096,014
	$ 29,043,464

Investments

The following table presents assets measured at fair value on a recurring basis at June 30, 2022:

		Fair Value Measurements at Report Date Using		
Assets	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating investments				
Cash and money market funds (at cost)	$ 4,021,379	$ -	$ -	$ -
Certificates of deposit	4,941,424	-	4,941,424	-
U.S. Government obligations	2,603,023	-	2,603,023	-
U.S. equity funds	13,032,104	13,032,104	-	-
U.S. equity mutual funds	147,283	147,283	-	-
Global equity mutual funds	1,223,055	1,223,055	-	-
Real estate funds	1,075,587	1,075,587	-	-
	$ 27,043,855	$ 15,478,029	$ 7,544,447	$ -
Endowment investments				
Cash and money market funds (at cost)	$ 2,265,310	$ -	$ -	$ -
Certificates of deposit	2,893,758	-	2,893,758	-
U.S. Government obligations	2,433,397	-	2,433,397	-
U.S. equity funds	7,405,445	7,405,445	-	-
U.S. equity mutual funds	848,870	848,870	-	-
Global equity mutual funds	1,386,918	1,386,918	-	-
Real estate funds	1,219,693	1,219,693	-	-
	$ 18,453,391	$ 10,860,926	$ 5,327,155	$ -

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

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

Endowments

The Foundation's endowment (the Endowment) consists of approximately 160 individual funds established by donors to provide annual funding for specific activities and general operations. The Endowment also includes certain unrestricted net assets designated for endowment by the Board of Directors. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At June 30, 2022, there were no such donor stipulations. As a result of this interpretation, the Foundation retains in perpetuity (a) the original value of initial and subsequent gift amounts (including promises to give net of discount and allowance for doubtful accounts) donated to the Endowment and (b) any accumulations to the Endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditures in a manner consistent with the standard of prudence prescribed by UPMIFA.

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

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

As of June 30, 2022, the Foundation had the following endowment net asset composition by type of fund:

	Without Donor Restriction	With Donor Restrictions	Total Net Endowment
Donor-restricted endowment			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	$ -	$ 15,719,619	$ 15,719,619
Accumulated investment gains	-	3,762,676	3,762,676
Endowment net assets, June 30, 2022	$ -	$ 19,482,295	$ 19,482,295

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments).The deficiencies of this nature are reported in net assets with donor restrictions and were $391,680 as of June 30, 2022. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new donor restricted contributions.

Investment and Spending Policies

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

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

Changes in Endowment net assets for the year ended June 30, 2022, are as follows:

	Without Donor Restriction	With Donor Restrictions	Total Net Endowment
Endowment net assets, July 1, 2021	$ -	$ 18,141,703	$ 18,141,703
Contributions	-	3,546,481	3,546,481
Investment return, net	-	(1,647,498)	(1,647,498)
Amounts appropriated for expenditure	-	(558,391)	(558,391)
Endowment net assets, June 30, 2022	$ -	$ 19,482,295	$ 19,482,295

With Donor Restricted Net Assets

With donor restricted net assets at June 30, 2022, consist of:

Subject to Expenditure for Specified Purpose	
Scholarships	$ 17,054,444
Special projects	246,677
	17,301,121
Endowment	
Subject to Foundation endowment spending policy and appropriation	
Scholarships	18,878,725
Agricultural programs	995,250
Underwater endowments	(391,680)
	19,482,295
Total net assets with donor restrictions	$ 36,783,416
Satisfaction of purpose restrictions	
Scholarships	$ 1,445,324
Educational programs	468,659
	$ 1,913,983

Donated Professional Services and Materials

Donated professional services and materials received during the years ended June 30, 2022 are as follows:

	2022			
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 63,936	$ 127,870	$ 63,935	$ 255,741
Rent	3,346	3,986	1,993	9,325
	$ 67,282	$ 131,856	$ 65,928	$ 265,066

Donated Property

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

Related Party

The Foundation provides scholarships to the College of Southern Idaho based on the terms of the donations. The Foundation provided scholarship support of $2,093,393 during the year ended June 30, 2022, of which $140,302 was payable to the College of Southern Idaho at June 30, 2022. The Foundation provided departmental and program support of $614,260 during the years ended June 30, 2022.

Several members of the Foundation Board of Directors provided a donation to the Foundation. The Foundation received $28,287 in contribution revenue from Board members during the years ended June 30, 2022.

The College of Southern Idaho provides donated office space, salaries, and benefits to the Foundation. The College of Southern Idaho provided $265,066 in donated office space and salaries and benefits to the Foundation during the year ended June 30, 2022.

Required Supplementary Information
June 30, 2022

College of Southern Idaho

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

	2014	2015	2016	2017	2018	2019	2020	2021
Employer's portion of net the pension liability (asset)	0.5121639	0.4903647	0.4819133	0.4835511	0.004805879	0.00468207	0.004536908	0.0044512935
Employer's proportionate share of the net pension liability/(asset)	$ 3,770,368	$ 6,457,305	$ 9,769,123	$ 7,600,593	$ 7,088,755	$ 5,344,452	$ 10,535,300	$ (351,554)
Employer's covered payroll	$ 13,730,671	$ 13,730,671	$ 14,134,541	$ 15,017,270	$ 16,723,666	$ 15,902,208	$ 16,155,394	$ 16,594,899
Employer's proportional share of the net pension liability (asset) as a percentage of its covered payroll	27.46%	45.68%	65.05%	50.61%	42.39%	33.61%	65.21%	-2.12%
Plan fiduciary net position as a percentage of the total pension liability (asset)	94.95%	91.38%	87.26%	90.68%	91.69%	93.79%	88.22%	100.36%

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

Data reported is measured as of June 30, 2021

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

	2015	2016	2017	2018	2019	2020	2021	2022
Statutorily required contribution	$ 1,554,312	$ 1,600,030	$ 1,699,955	$ 1,893,119	$ 1,800,130	$ 1,928,954	$ 1,981,431	$ 2,076,089
Contributions in relation to the statutorily required contribution	$ (1,554,312)	$ (1,600,030)	$ (1,699,955)	$ (1,893,119)	$ (1,800,130)	$ (1,928,954)	$ (1,981,431)	$ (2,076,089)
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 13,730,671	$ 14,134,541	$ 15,017,270	$ 16,723,666	$ 15,902,208	$ 16,155,394	$ 16,594,899	$ 17,388,150
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%	11.32%	11.94%	11.94%	11.94%

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

Data reported is measured as of June 30, 2022

Notes to Schedule:

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	$ 221,854	$ 228,510	$ 167,915	$ 183,847	$ 209,673
Interest	93,356	99,528	82,780	83,218	49,849
Effect of economic/demographic gains or losses	-	(191,922)	-	(122,761)	-
Effect of assumptions changes or inputs	-	(590,122)	63,428	(201,478)	8,383
Benefit payments	(130,852)	(168,452)	(83,850)	(99,015)	(82,037)
Net change in total OPEB liability	184,358	(622,458)	230,273	(156,189)	185,868
Total OPEB liability, beginning	2,450,723	2,635,081	2,012,623	2,242,896	2,086,707
Total OPEB liability, ending	$ 2,635,081	$ 2,012,623	$ 2,242,896	$ 2,086,707	$ 2,272,575
Covered payroll	$ 25,100,223	$ 26,657,061	$ 27,943,081	$ 28,596,974	$ 29,497,946
Total OPEB liability as a percentage of covered employee payroll	10.50%	7.55%	8.03%	7.30%	7.70%

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

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

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

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

	2017	2018	2019	2020	2021
Employer's portion of net OPEB asset	2.4328077%	2.4618469%	2.4249367%	2.0818502%	2.0818502%
Employer's proportionate share of net OPEB asset	$ 2,314,321	$ 2,825,463	$ 3,054,744	$ 2,938,592	$ 3,788,016
Employer's covered payroll	$ 15,017,270	$ 16,723,666	$ 15,902,208	$ 16,155,394	$ 16,594,899
Employer's proportional share of the net OPEB asset as a percentage of its covered payroll	15.411063%	16.894998%	19.209559%	18.189541%	22.826388%
Plan fiduciary net position as a percentage of the total OPEB asset	204.12%	225.45%	226.97%	251.29%	274.55%

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

Data reported is measured as of June 30, 2021

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

	2018	2019	2020	2021	2022
Statutorily required contribution	$ 168,452	$ 181,783	$ 99,015	$ -	$ -
Contributions in relation to the statutorily required contribution	$ 172,139	$ 185,644	$ 123,436	$ -	
Contribution (deficiency) excess	$ 3,687	$ 3,861	$ 24,421	$ -	$ -
Employer's covered payroll	$ 16,723,666	$ 15,902,208	$ 16,155,394	$ 16,594,899	$ 17,388,150
Contributions as a percentage of covered payroll	1.0293138%	1.1674102%	0.7640544%	0.0000000%	0.0000000%

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

Data reported is as of June 30, 2022.

Supplementary Information
June 30, 2022

College of Southern Idaho

DHC Auxiliary Enterprise Funds-Revenues and Expenses

Fiscal Year	**2022**	**2021**
Income from DHC Building Operations		
Eagle Hall		
Monthly/Semester Fees	575,366	402,998
Other Revenue	9,580	233,260
Subtotal Revenue	**584,946**	**636,258**
Operating Expenses		
Salaries & Benefits	145,435	135,110
Materials, Supplies, Other	188,844	106,292
Utilities	94,791	83,638
Equipment	-	-
Maintenance	23,228	11,557
Transfers to Sinking Fund	-	-
Subtotal Expense	**452,298**	**336,597**
Net Revenues/(Losses) of DHC Buildings	132,648	299,661

Fiscal Year	**2022**	**2021**
Income from DHC Building Operations		
Northview Apts		
Monthly/Semester Fees	263,467	249,815
Other Revenue	11,905	21,535
Subtotal Revenue	**275,372**	**271,350**
Operating Expenses		
Salaries & Benefits	139,568	133,467
Materials, Supplies, Other	28,290	22,432
Utilities	44,244	44,522
Equipment	-	-
Maintenance	12,439	16,331
Transfers to Sinking Fund	-	-
Subtotal Expense	**224,541**	**216,752**
Net Revenues/(Losses) of DHC Buildings	50,830	54,598

Fiscal Year		**2022**	**2021**
Income from DHC Building Operations			
Eagleview Apts			
	Monthly/Semester Fees	405,062	396,151
	Other Revenue	17,394	14,657
	Subtotal Revenue	**422,456**	**410,808**
Operating Expenses			
	Salaries & Benefits		-
	Materials, Supplies, Other	179,402	86,477
	Utilities	65,982	61,703
	Equipment	-	-
	Maintenance	30,467	19,145
	Transfers to Sinking Fund	-	-
	Subtotal Expense	**275,850**	**167,325**
Net Revenues/(Losses) of DHC Buildings		146,605	243,483

Fiscal Year		**2022**	**2021**
Food Service			
	Monthly/Semester Fees	646,518	470,500
	Other Revenue	-	-
	Subtotal Revenue	646,518	470,500
Operating Expenses			
	Salaries & Benefits		
	Materials, Supplies, Other	36,287	29,594
	Utilities	7,478	4,218
	Equipment		9,995
	Maintenance	13,197	5,118
	Cost of Sales-Sodexo payment	564,799	445,318
	Subtotal Expense	621,760	494,243
Net Revenues/(Losses) of DHC Buildings		24,758	(23,743)

Fiscal Year		**2022**	**2021**
CSI Housing			
	Monthly/Semester Fees	32,400	32,350
	Other Revenue	-	-
	Subtotal Revenue	32,400	32,350
Operating Expenses			
	Salaries & Benefits	-	-
	Materials, Supplies, Other	674	148
	Utilities	107	91
	Equipment	-	-
	Maintenance	5,196	690
	Subtotal Expense	5,977	929
Net Revenues/(Losses) of DHC Buildings		26,423	31,421

Fiscal Year		**2022**	**2021**
Student Union			
	Monthly/Semester Fees	101,425	99,860
	Other Revenue	-	-
	Subtotal Revenue	101,425	99,860
Operating Expenses			
	Salaries & Benefits	-	-
	Materials, Supplies, Other	279	6,858
	Utilities	4,817	30,178
	Equipment	-	-
	Maintenance	-	-
	Transfer to other Funds	-	-
	Subtotal Expense	5,096	37,036
Net Revenues/(Losses) of DHC Buildings		96,330	62,824

Fiscal Year		**2022**	**2021**
Eagle Hall Renovation			
	Monthly/Semester Fees	-	-
	Other Revenue	-	-
	Subtotal Revenue	-	-
Operating Expenses			
	Architectes & Engieering	-	159,987
	Materials, Supplies, Other	22,463	14,549
	Building Improvements	1,758,454	907,686
	Equipment	-	-
	Maintenance	12,963	-
	Transfer to other Funds	-	-
	Subtotal Expense	1,793,880	1,082,222
Net Revenues/(Losses) of DHC Buildings		(1,793,880)	(1,082,222)

Single Audit Information
June 30, 2022

College of Southern Idaho

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the College of Southern Idaho (the College), as of and for the year ended June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated October 18, 2022. The financial statements of the discretely presented component unit, College of Southern Idaho Foundation, Inc., were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the College of Southern Idaho Foundation, Inc.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Eide Bailly LLP

Boise, Idaho
October 18, 2022

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

The Board of Trustees
College of Southern Idaho
Twin Falls, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the College of Southern Idaho's (the College) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2022. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Eide Bailly LLP

Boise, Idaho
October 18, 2022

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Financial Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
Department of Agriculture			
Pass-Through Payments			
Idaho State Department of Education			
Child and Adult Care Food Program	10.558	4875	$ 174,439
Idaho State Department of Health and Welfare			
Supplemental Nutrition Assistance Program	10.551	7ID400ID4	107
Total Department of Agriculture			174,546
Department of Education			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grants	84.007	NONE	230,111
Federal Work-Study Program	84.033	NONE	213,094
Federal Pell Grant Program	84.063	NONE	6,595,275
Federal Direct Student loans	84.268	NONE	2,356,539
Total Student Financial Assistance Cluster			9,395,019
Title III Part A Programs - Strengthening Institutions	84.031A	NONE	243,815
Childcare Acess Means Parents in School	84.335A	NONE	34,022
Education Stabilization Fund			
COVID-19 - GEER	84.425C	NONE	55,585
COVID-19 - HEERF Student	84.425E	NONE	3,961,235
COVID-19 - HEERF Institutional	84.425F	NONE	5,075,503
COVID-19 - SIP Minority Serving Institution	84.425L	NONE	196,605
Total Education Stabilization Fund			9,288,928
Idaho Division of Career-Technical Education			
Adult Education Basic Grants to States	84.002A	Various	549,715
Career and Technical Education - Basic Grants to States	84.048	Various	438,592
Pass-Through Payments			
Idaho State Board of Education			
Gaining Early Awareness & Readiness for Undergraduate Programs· Gear-Up	84.334	19-7505	138,893
Total Department of Education			20,088,984

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Financial Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
Department of Health and Human Services			
Early Head Start	93.600	NONE	1,580,752
Head Start	93.600	NONE	6,805,165
COVID-19 Head Start	93.600	NONE	363,543
			8,749,460
Pass-Through Payments			
Idaho Department of Health and Welfare			
COVID-19 - Child Care and Development Block Grant	93.575	NONE	153,189
American Medical Responders. Access2Care			
Medicaid Cluster			
Medical Assistance Program	93.778	NONE	18,661
Total Medicaid Cluster			18,661
Idaho Commission on Aging			
Aging Cluster			
Special Programs for the Aging Title Ill, Part B Grants for Supportive Services and Senior Centers	93.044	Title III - B	301,807
COVID-19 Supportive Services and Senior Centers	93.044	ARPA III - B	67,279
			369,086
Special Programs for the Aging Title Ill, Part C Nutrition Services	93.045	Title III - C	601,936
COVID-19 Special Programs for the Aging Title Ill, Part C Nutrition Services	93.045	ARPA III - C	273,370
			875,306
Nutrition Services Incentive Program	93.053	NSIP	115,542
Total Aging Cluster			1,359,934
Special Programs for the Aging Title VII, Chapter 2 Long Term Care Ombudsman Services for Older Individuals	93.042	Title VI - OM	13,516
Special Programs for the Aging Title UI, Part D Disease Prevention and Health Promotion Services	93.043	Title III - D	17,446
Special Programs for the Aging Title IV, and Title II COVID-19 - ADRC	93.048	ADRC20	3,413
Options Counseling	93.051	IDCS17	429
National Family Caregiver Support, Title Ill, Part E	93.052	Title III - E	147,445
Special Programs for the Aging Title Ill, PartB8 Grants for COVID-19 National Family Caregiver Support, Title Ill, Part E	93.052	ARPA III - E	31,138
			178,583
Medicare Enrollment Assistance Program	93.071	MIPPA	1,309
Idaho Lifespan Respite Enhancement	93.072	LREP21	26,879
Elder Abuse Prevention Intervention Projects	93.747	APS	12,127

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Financial Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
Pass-Through Payments			
477 Cluster			
Idaho Head Start Association			
Temporary Assistance for Needy Families	93.558	22-202103, 22-202203	124,512
Temporary Assistance for Needy Families	93.558	IOR-2112 TANF CM-CSI, IOR 2102	14,212
Total 477 Cluster			138,724
Refugee and Entrant Assistance Targeted Assistance Grants	93.566	IOR-2022-CSI, HC226500, IOR-2222, HC235200	517,939
Refugee and Entrant Assistance Targeted Assistance Grants	93.576	HC958600, GT-IRC-2001	98,954
Refugee and Entrant Assistance Targeted Assistance Grants	93.583	IOR-2112-SCIRP	71,802
University of Idaho			
National Center for Research Resources 20-21	93.859	SI3394-825871	43,722
National Center for Research Resources 21-22	93.859	SI3394-825907	50,137
			93,859
U.S. Committee for Refugees and Immigrants			
Health Marriage and Responsible Fatherhood	93.086	90ZD0004	107,167
U.S. Refugee Admissions Program	93.567	NONE	191,547
Total Department of Health and Human Services			11,754,938
National Science Foundation			
University of Washington			
Education and Human Resources	47.076	UWSC11496	375
Total National Science Foundation			375
Department of Labor			
Pass-Through Payments			
Idaho Department of Labor			
Job Corps Experimental Projects and Technical Assistance	17.287	NONE	451,021
Idaho Career Technical Education			
Apprenticeship: Closing the Skills Gap	17.268	NONE	75,590
American Association of Community Colleges			
Apprenticeship USA State Expansion Grants	17.285	NONE	62,383
Total Department of Labor			588,994
Department of State			
US Refugee Admissions Program	19.510		586,521
Total Department of State			586,521

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Financial Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures
Department of Transportation			
Pass-Through Payments			
Idaho Department of Transportation			
Formula Grants for Rural Areas	20.509	CA - 08	269,914
Total Department of Transportation			269,914
National Aeronautics and Space Administration			
Pass-Through Payments			
University of Idaho			
NASA Idaho Specific Grant Consortium			
Opportunity for Partnerships with Community Colleges & Technical Schools Total National Aeronautics and Space Administration	43.008	ES4527-783699	21,000
Total University of Idaho			21,000
National Endowment for the Humanities			
Pass-Through Payments			
Idaho Humanities Council			
Promotion of the Humanities	45.129	2020308, 2020303, 2022017	4,000
Total National Endowment for the Humanities			4,000
National Endowment for the Arts			
Promotion of the Arts Partnership Agreements	45.025	NONE	5,000
Pass-Through Payments			
Idaho Commission on the Arts.			
Promotion of the Arts Partnership Agreements	45.025	03411, 03412	11,539
Total National Endowment for the Arts			16,539
Small Business Administration			
Pass-Through Payments			
Boise State University - Idaho Small Business Development Center			
Small Business Development Centers	59.037	8564-PO129461, 9660-PO138706	98,585
COVID-19 - Small Business Development Centers	59.037	9405-PO137294	36,212
Total Small Business Administration			134,797
Total Federal Expenditures			$ 33,640,608

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the College of Southern Idaho (the College) under programs of the federal government for the year ended June 30, 2022. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net position, or cash flows.

Note 2 - Summary of Significant Accounting Policies

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

Note 3 - Indirect Cost Rate

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

Section I – Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(s) identified not considered to be material weakness(es)?	None Reported
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in Accordance with the Uniform Guidance 2 CFR 200.516	No

Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Number
Education Stabilization Fund	
COVID-19 - Governor's Emergency Education Relief Fund	84.425C
COVID-19 - HEERF Student Aid Portion	84.425E
COVID-19- HEERF Institutional Portion	84.425F
COVID-19 - HEERF Minority Serving Institutions (MSIs)	84.425L
Aging Cluster	
Special Programs for the Aging--Title III, Part B	93.044
Special Programs for the Aging Title Ill, Part C Nutrition Services	93.045
Nutrition Services Incentive Program	93.053
COVID-19 - Special Programs for the Aging--Title III, Part B	93.044
COVID-19 - Special Programs for the Aging Title Ill, Part C Nutrition Services	93.045

Dollar threshold used to distinguish between Type A and Type B programs?	$1,009,218
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None