



## ANNUAL FINANCIAL REPORT — 2015 —



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At Weber State University, 2014-15 was a year of projects and progress.

One sign of progress, a gigantic yellow crane, signified the continued construction of the Tracy Hall Science Center. The building, which is at the leading edge of science, technology engineering and mathematics (STEM) education design, is slated to open for education in fall 2016.

Facilities aren't the only thing growing on campus. Our number of graduates keeps growing, too. More than 5,330 graduates earned their degrees in 2014-15, breaking a Weber State record for the largest graduating class.

Our relationship with our surrounding community also continues to grow. Our College Town Initiative with Ogden City was even recognized with the Larry Abernathy Award during the International Town & Gown Association's 2015 conference.

And, thanks to generous supporters, our bank account is growing as well. A year and a half after we announced our Dream 125 campaign, an effort to raise \$125 million to secure the future of Weber State University, we had raised nearly \$122 million. I can't wait to reach, then surpass, that goal.

The financial statements that follow are prepared according to generally accepted accounting principles established by the Governmental Accounting Standards Board. The Office of the Utah State Auditor has reviewed and audited this financial report for the year ended June 30, 2015. This financial report is intended to reflect the overall financial position of the university as of June 30, 2015. It also reflects the flow of financial resources to and from the university for the fiscal year ended June 30, 2015.

I am happy to report that the university is in good financial standing and has benefitted greatly from the constant support of students, faculty, staff, alumni, administrators, elected officials and community members.

With best wishes,

Charles A. Wight, President

#### State Auditor's Report



#### **INDEPENDENT STATE AUDITOR'S REPORT**

To the Board of Trustees, Audit Committee and Charles A. Wight, President Weber State University

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Weber State University (University), a component unit of the State of Utah, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University as of June 30, 2015, and the changes in its financial position and cash

flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Emphasis of Matter**

For the fiscal year 2015, the University implemented Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions, and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. As a result of this required change in accounting principle, the University recorded a \$14,166,814 reduction in beginning net position. The amounts reported for ending net position reflect the newly required net pension assets, deferred outflows of resources, net pension liabilities, and deferred inflows of resources related to the University's participation in defined benefit retirement systems. See Notes 1 and 7 for further information. Our opinion for the University is not modified with respect to this matter.

#### Other Matters

#### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of Defined Benefit Pension Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the University's basic financial statements. The Message from the President and the listing of the governing boards and officers have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on this other information.

#### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2015 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

Office of the Utah State auditor

November 4, 2015



## MANAGEMENT'S DISCUSSION & ANALYSIS

Fiscal Year Ended June 30, 2015

#### Introduction

This section of Weber State University's (the University's) Annual Report presents management's discussion and analysis of the University's financial performance during the fiscal year ended June 30, 2015, with comparable information for the fiscal year ended June 30, 2014. The discussion has been prepared by management and should be read in conjunction with the accompanying financial

statements and footnotes. The discussion and analysis is designed to provide an easily readable analysis of the University's financial activities based on facts, decisions, and conditions known at the date of the auditor's report. The financial statements, footnotes, and this discussion are the responsibility of management.

#### Financial Statements Overview

This annual report consists of a series of financial statements, prepared in accordance with GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, as amended by GASB Statement No. 35, Basic Financial Statements-and Management's Discussion and Analysis – for Public Colleges and Universities, and GASB Statement No. 38, Certain Financial Statement Note Disclosures.

As required by these accounting principles, the annual report consists of three basic financial statements which provide information on the University as a whole: the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. Each one of these statements will be discussed.

#### Statement of Net Position

The Statement of Net Position presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the University as of the end of the fiscal year. The Statement of Net Position is a point-in-time financial statement. The purpose of the Statement of Net Position is to present to the readers of the financial statements a fiscal snapshot of Weber State University. The Statement of Net Position presents end-of-year data concerning assets (current and noncurrent), deferred

outflows of resources, liabilities (current and noncurrent), deferred inflows of resources, and net position (assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources). The difference between current and noncurrent assets will be discussed in the footnotes to the financial statements.

A summarized comparison of the University's assets, deferred outflows, liabilities, deferred inflows, and net position as of June 30, 2015 and 2014 is shown below.

#### **Condensed Statement of Net Position**

	As of June 30, 2015 Amount	As of June 30, 2014* Amount	Amount of Increase (Decrease)	Percent Increase (Decrease)
Assets	<b>AFO</b> 000 004	AC1 000 FF1	<b>*</b> (0.000.007)	(0.000()
Current assets	\$59,060,864	\$61,093,551	\$(2,032,687)	(3.33%)
Noncurrent assets	000 000 540	077 005 407	0.100.100	2.000/
Capital	286,938,546	277,835,407	9,103,139	3.28%
Other	200,407,995	194,186,810	6,221,185	3.20%
Total assets	546,407,405	533,115,768	13,291,637	2.49%
Deferred outflows of resources				
Deferred amount of refunding	654,148	244,800	409,348	167.22%
Deferred outflows relating to pensions	2,219,779		2,219,779	100.00%
Total deferred outflows of resources	2,873,927	244,800	2,629,127	1,073.99%
Total delented editions of researces	2,0,0,02,	211,000	2,020,127	1,070.0070
Liabilities				
Current liabilities	22,056,562	17,316,001	4,740,561	27.38%
Noncurrent liabilities	73,050,916	61,257,403	11,793,513	19.25%
Total liabilities	95,107,478	78,573,404	16,534,074	21.04%
Deferred inflows of resources				
	1,308,708		1,308,708	100.00%
Deferred inflows relating to pensions	1,308,708	-	1,308,708	100.00%
Net position				
Net investment in capital assets	230,000,708	218,539,049	11,461,659	5.24%
Restricted - nonexpendable	85,579,037	86,208,997	(629,960)	(0.73%)
Restricted - expendable	53,570,021	50,427,984	3,142,037	6.23%
Unrestricted	83,715,380	99,611,134	(15,895,754)	(15.96%)
Total net position	\$452,865,146	\$454,787,164	\$(1,922,018)	(0.42%)

 $<sup>^{</sup>st}$  The 2014 amounts presented here do not include the prior period adjusmtnent discussed in Note 1.

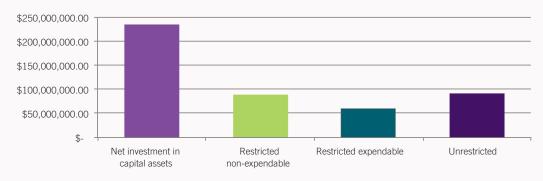
From the data presented, readers of the Statement of Net Position are able to determine the assets available to continue the operations of the University. They are also able to determine how much the University owes to outside organizations. Finally, the Statement of Net Position provides a picture of the net position (assets plus deferred outflows of resources minus liabilities plus deferred inflows of resources) and their availability for expenditure by the University.

Net position is divided into three major categories. The first category, "net investment in capital assets," provides the University's equity in property, plant, and equipment. The

next category is "restricted" net position, which is divided into two subcategories, "nonexpendable" and "expendable." The corpus of nonexpendable restricted resources is only available for investment purposes. Expendable restricted net position is available for expenditure by the University but 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 final category is "unrestricted" net position. Unrestricted net position is generally designated internally by the University for specific institutional purposes.

The composition of the University's net position is displayed in the following graph.

#### Composition of the University's Net Position as of June 30, 2015



In fiscal year 2015, total assets of the University increased \$13.3 million largely due to capital asset additions and continued University growth. Current liabilities increased \$4.7 million primarily from an increase in payables due to the State of Utah for major construction projects. At the end of fiscal year 2015, the University's current assets of \$59.1 million were sufficient to cover current liabilities of \$22.1 million. Also at the end of fiscal year 2015, total assets of \$546.4 million are sufficient to cover total liabilities of \$95.1 million. Deferred outflows and inflows relating to pensions are new items for fiscal year 2015 and are a result of implementing GASB Statement No. 68, Accounting and Financial Reporting for Pensions. (see notes 1 and 7). Over

time, increases or decreases in net position (the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources) is one indicator of the improvement or erosion of the University's financial health when considered with non-financial facts such as enrollment levels and the condition of facilities. One must also consider that the consumption of assets follows the institutional philosophy to use available resources to acquire and improve all areas of the University to better serve the mission of the University.

#### Statement of Revenues, Expenses, and Changes in Net Position

Changes in total net position, as presented on the Statement of Net Position, are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of the statement is to present the revenues received by the University, both operating and nonoperating, and the expenses paid by the University, both operating and nonoperating, and any other revenues, expenses, gains and losses received or spent by the University. Generally speaking, operating revenues are received for providing goods and services to the various

customers and constituencies of the University. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the University. Nonoperating revenues are revenues received for which goods and services are not provided.

A summarized comparison of the University's revenues, expenses and changes in net position for the years ended June 30, 2015 and 2014 is shown below.

#### Condensed Statement of Revenues, Expenses, and Changes in Net Position

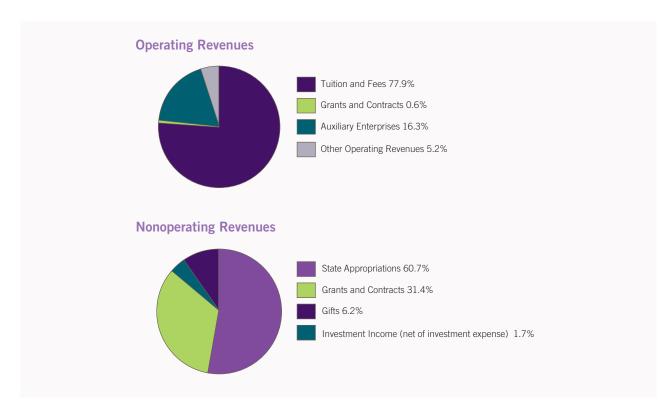
	Year Ended	Year Ended	Amount of	Percent
	June 30, 2015	June 30, 2014*	Increase	Increase
_	Amount	Amount	(Decrease)	(Decrease)
Operating revenues			'	
Tuition and fees	\$79,758,937	\$78,578,065	\$1,180,872	1.50%
Grants and contracts	582,139	713,155	(131,016)	(18.37%)
Auxiliary enterprises	16,654,356	16,155,831	498,525	3.09%
Other	5,397,898	6,243,531	(845,633)	(13.54%)
Total operating revenues	102,393,330	101,690,582	702,748	0.69%
Operating expenses				
Salaries and wages	98,442,922	95,348,653	3,094,269	3.25%
Employee benefits	37,384,840	35,851,784	1,533,056	4.28%
Scholarships and fellowships	18,441,109	18,320,756	120,353	0.66%
Depreciation	14,215,321	13,915,028	300,293	2.16%
Other operating expenses	50,059,881	50,295,269	(235,388)	(0.47%)
Total operating expenses	218,544,073	213,731,490	4,812,583	2.25%
Operating loss	(116,150,743)	(112,040,908)	(4,109,835)	(3.67%)
Nonoperating revenues/(expenses)				
State appropriations	73,372,300	67,266,600	6,105,700	9.08%
Grants and contracts	37,864,359	37,512,611	351,748	0.94%
Other nonoperating revenues/(expenses)	7,580,341	19,542,554	(11,962,213)	(61.21%)
Net nonoperating revenues/(expenses)	118,817,000	124,321,765	(5,504,765)	(4.43%)
Income before other revenue	2,666,257	12,280,857	(9,614,600)	(78.29%)
Other revenues				
Capital appropriations	5,522,250	8,262,825	(2,740,575)	(33.17%)
Capital grants and gifts	1,624,283	372,950	1,251,333	335.52%
Additions to permanent endowments	2,432,006	2,806,636	(374,630)	(13.35%)
Total other revenue	9,578,539	11,442,411	(1,863,872)	(16.29%)
Increase in net position	12,244,796	23,723,268	(11,478,472)	(48.38%)
Net position - beginning of year	454,787,164	431,063,896	23,723,268	5.50%
Prior period adjustment (note 1 & 7)	(14,166,814)	, , , , , , ,	., ., .,	
Net position - beginning of year (restated)	440,620,350			
Net position - end of year	\$452,865,146	\$454,787,164	\$(1,922,018)	(0.42%)
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<sup>\*</sup> The 2014 amounts presented here do not include the prior period adjusmtnent discussed in Note 1.



The most significant source of operating revenue for the University is student tuition and fees, which totaled \$79.8 million for fiscal year 2015. Other nonoperating revenues/ (expenses) decreased approximately 61.2% or \$12 million largely due to negative market value fluctuations on investments. Capital grants and gifts increased \$1.3 million

primarily due to donations for the new Science Building. Employee benefits expenses have increased by \$1.5 million primarily as a result of implementing GASB Statement No. 68, Accounting and Financial Reporting for Pensions. (see notes 1 and 7). The following charts highlight the University's operating and nonoperating revenues for the fiscal year 2015.



The University's operating expenses were \$218.5 million for the fiscal year ended June 30, 2015. Operating expenses are reported by natural classification in the financial statements. The following chart illustrates the University's operating expenses by natural classification for the fiscal year ended 2015.



State appropriations are considered nonoperating because they are provided by the Legislature to the University without the Legislature directly receiving commensurate goods and services for those revenues. This will always result in an overall operating loss. A more comprehensive assessment of the operations of the University is reflected in "Income (Loss) Before Other Revenue."

#### Statement Of Cash Flows

The final statement presented by the University is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the University during the year.

The statement is divided into five parts. The first part deals with operating cash flows and shows the net cash used by the operating activities of the University. The second section reflects cash flows from noncapital financing activities. This section reflects the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes. The third section deals with cash flows from capital and related financing activities. This section deals with the cash used for the acquisition and construction of capital and related items. The fourth section reflects the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth section shows the net change in cash which reconciles to the end of year cash shown on the Statement of Net Position. The University's cash flows for the fiscal year ended June 30, 2015 are shown below.

#### **Condensed Statement of Cash Flows**

	Year Ended June 30, 2015 Amount	Year Ended June 30, 2014 Amount	Amount of Increase (Decrease)	Percent Increase (Decrease)
Cash and cash equivalents provided (used) by:				
Operating activities	\$(101,738,850)	\$(99,167,247)	\$(2,571,603)	(2.59%)
Noncapital financing activities	121,197,930	112,724,434	8,473,496	7.52%
Capital financing activities	(17,194,408)	(21,937,747)	4,743,339	21.62%
Investing activities	(8,923,079)	(19,424,077)	10,500,998	54.06%
Net change in cash and cash equivalents	(6,658,407)	(27,804,637)	21,146,230	76.05%
Cash and cash equivalents - beginning of year	58,029,685	85,834,322	(27,804,637)	(32.39%)
Cash and cash equivalents - end of year	\$51,371,278	\$58,029,685	\$(6,658,407)	(11.47%)



# CONSTRUCTION PROJECTS

There were several significant construction projects during the fiscal year. These projects are funded from a number of different sources including private donations, revenue bond proceeds, and state capital appropriations.



#### **Public Safety Building**

The new Public Safety Building was completed in August 2014 at the very northwest corner of the Ogden campus. This new 10,000 square foot facility houses the University Police Department and Parking Services. The building is also designed and equipped to convert to the Emergency Operations Center (EOC) and 911 communication center in a campus emergency. A large conference room in this building will also function as a classroom for University-wide training. Construction began on this project in late November of 2013, and was opened in time for Fall classes in 2014. The total project cost was \$4.7 million.



## Miller Administration Building

The Miller Administration Building, which was originally constructed in 1970, underwent a major renovation this summer. The renovation began in May 2015 and was completed in August 2015. The renovation included a complete removal of existing HVAC and electrical systems. The building was updated with a new VRF heating and cooling system with individual controls in each office. Other enhancements include new LED lighting throughout, restroom upgrades, and new high efficiency windows. The approximate budget for the renovation was \$4.8 million.



#### ◀ Tracy Hall Science Center

Groundbreaking took place on May 16, 2014 for the new Tracy Hall Science Center. This new facility will replace the current Science Lab building which was dedicated in 1969 and is showing its age. This beautiful new facility will provide an outstanding learning environment for science, technology, engineering and math. The budget for the new Science Building, stemming from Utah State capital appropriations and generous donations, is estimated to be approximately \$74 million. Construction is anticipated to take two years, and the doors will open to students fall semester 2016.

## **ECONOMIC OUTLOOK**

A crucial element in the University's future continues to be a strong relationship with the State of Utah. The University's operating budget for the fiscal year ending June 30, 2015 is supported by two major sources of revenue: tax funds from the State of Utah (\$73.4 million) and net student tuition and fees (\$79.8 million). Weber State University's budget conditions remained solid during the Fiscal Year 2015, assisted by 4% tuition and 3.2% fee increases, with relatively flat student enrollment. Utah's growing economy continues to be recognized among the top performing states.

Due primarily to an improving economy, only a slight enrollment increase is projected for Fiscal Year 2016. Conservative budgeting, 3% tuition and 3% fee increases, and \$2.1 million of new tax fund appropriations should continue to keep the University's financial position stable during the fiscal year 2015-2016. Current conditions are likely to influence the University to examine future tuition and fee increases for additional funding as the economy improves. As the financial statements and footnotes indicate, the University remains on a solid financial foundation. A conservative financial management approach will continue to be employed in managing the resources of the University.

Norman C. Tarbox, Jr., Ed.D., Vice President for Administrative Services







#### Statement of Net Position

ASSETS	
Current Assets	2015
Cash and cash equivalents (Note 2)	\$36,982,570
Short-term investments (Note 2)	8,448,272
Accounts receivable, net (Note 5)	4,513,465
Receivable from state agencies (Note 5) Interest receivable	1,081,714 196,670
Inventories	4,669,898
Prepaid expenses	120,776
Student loans receivable, net (Note 5)	1,039,651
Pledges receivable, net (Note 5)	1,636,493
Other assets	371,355
Total current assets	59,060,864
Noncurrent Assets	
Restricted cash and cash equivalents (Note 2)	14,388,708
Investments (Note 2)	177,098,834
Accounts receivable, net (Note 5)	3,007,196 5,022,648
Student loans receivable, net (Note 5)	875,457
Pledges receivable, net (Note 5) Capital assets, net (Note 3)	286,938,546
Net pension asset (Notes 1 and 7)	15,152
Total noncurrent assets	487,346,541
Total Assets	546,407,405
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows relating to Pensions (Notes 1 and 7)	2,219,779
Deferred amount of refunding	654,148
Total Deferred Outflows of Resources	2,873,927
LIABILITIES	
Current Liabilities	
Accounts payable (Note 5)	1,236,766
Accrued liabilities	719,251
Accrued payroll	385,194
Payable to state agencies	4,287,628
Compensated absences & termination benefits (Note 3)	3,278,789
Unearned revenue	7,979,289
Bonds payable (Notes 3 and 4) Other liabilities	2,556,028
Total current liabilities	1,613,617 22,056,562
Noncurrent Liabilities  Compensated absences & termination benefits (Note 3)	3,070,399
Annuities payable (Note 3)	458,970
Bonds payable (Notes 3 and 4)	55,589,264
Net Pension liability (Notes 1 and 7)	13,932,283
Total noncurrent liabilities	73,050,916
Total Liabilities	95,107,478
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows relating to Pensions (Notes 1 and 7)	1,308,708
Total Deferred Inflows of Resources	1,308,708
NET POSITION	
Net investment in capital assets Restricted:	230,000,708
Restricted:  Nonexpendable	
Primarily scholarships and fellowships	85,579,037
Expendable	20,0.0,007
Primarily scholarships and fellowships	39,319,435
Capital projects	3,604,875
Loans	7,754,524
Sponsored projects	1,675,995
Debt Service	1,215,192
Unrestricted	83,715,380
Total Net Position	\$452,865,146

## Statement of Revenues, Expenses, and Changes in Net Position

Operating Revenues	2015
Student tuition and fees, net (Note 1)	\$79,758,933
Federal grants and contracts	442,752
State and local grants and contracts	65,742
Nongovernmental grants and contracts	73,645
Sales and services of educational activities	2,373,667
Auxiliary enterprises, net (Note 1)	16,654,356
Other operating revenues	3,024,231
Total Operating Revenues	102,393,330
EXPENSES	
Operating Expenses	
Salaries and wages	98,442,922
Employee benefits	37,384,840
Scholarships and fellowships	18,441,109
Depreciation	14,215,321
Other operating expenses	50,059,881
Total Operating Expenses	218,544,073
Operating Loss	(116,150,743)
NONOPERATING REVENUES (EXPENSES)	
State appropriations	73,372,300
Federal grants and contracts	35,052,622
State and local grants and contracts	2,502,206
Nongovernmental grants and contracts	309,531
Gifts	7,494,556
Investment income (net of investment expense)	2,038,911
Interest on capital assets-related debt	(1,953,126)
Net Nonoperating Revenues	118,817,000
Income Before Other Revenues	2,666,257
OTHER REVENUES	
Capital appropriations	5,522,250
Capital grants and gifts	1,624,283
Additions to permanent endowments	2,432,006
Total other revenue	9,578,539
Increase in Net Position	12,244,796
NET POSITION	
Net Position - Beginning of Year	454,787,164
Prior Period Adjustment (Notes 1 and 7)	(14,166,814)
Net Position - Beginning of Year (Restated)	440,620,350
Net Position - End of Year	\$452,865,146

#### Statement of Cash Flows

Receipts from tuition and fees         \$80,349,900           Receipts from grants/contracts         582,139           Receipts from suxiliary and educational services         19,028,023           Collection of loans from students         (286,828)           Loans issued to students         (868,289)           Payments for scholarships and fellowships         (13,740,947)           Other operating receipts         2,728,189           Payments for supployee services and benefits         (101,738,850)           Other operating receipts         2,728,189           Payments to suppliers         (49,537,918)           Net cash provided (used) by Operating Activities         (101,738,850)           CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES         73,372,300           State appropriations         37,692,195           Receipts from grants/contracts         37,692,195           Agency receipts including direct lending program         48,733,680           Agency receipts including direct lending program         48,616,693           Receipts from grifts         2,432,006           Other noncapital financing activities         22,3021,193           Receipts from capital grants/gifts         2,535,598           Proceeds from bord issuance         18,135,000           Purchases of capital assets         <	CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from grants/contracts         19,028,023           Receipts from auxiliary and educational services         19,028,023           Collection of loans from students         (868,289)           Loans issued to students         (868,289)           Payments for scholarships and fellowships         (18,238,406)           Payments for employee services and benefits         (137,040,947)           Other operating receipts         2,728,189           Payments to suppliers         (49,537,918)           Net cash provided (used) by Operating Activities         (101,738,850)           CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES           State appropriations         73,372,300           Receipts from grants/contracts         37,692,195           Agency receipts including direct lending program         48,733,680           Agency receipts from grants/contracts         2,432,006           Receipts from grants including direct lending program         48,671,693           Receipts from grantent endowments         2,432,006           Other noncapital financing activities         121,197,930           CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES           Receipts from capital grants/gifts         2,535,598           Proceeds from bond issuance         18,135,000		2015
Receipts from auxiliary and educational services Collection of loans from students Loans issued to students Loans issued to students Re68, 289 Payments for scholarships and fellowships Rayments for employee services and benefits (137,040,947) Other operating receipts Payments to suppliers Receipts TROM NONCAPITAL FINANCING ACTIVITIES  State appropriations Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements including direct lending program Receipts from gifts Receipts from gifts Receipts from gifts Receipts from gifts Receipts from capital financing activities  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  CASH FLOWS FROM Interest paid on capital debt/leases Principal paid on capital debt/leases Proceeds from bond issuance 18,135,000 Purchases of capital abetive assessments Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  Receipt of interest/dividends from investments Receipt of interest/dividends from investments Proceeds from sale/maturity of investments Receipt of interest/dividends from inv	Receipts from tuition and fees	\$80,349,900
Collection of loans from students Loans issued to students Loans issued to students R68,289) Payments for scholarships and fellowships Other operating receipts 2,728,189 Payments to suppliers Receipts (49,537,918) Net cash provided (used) by Operating Activities  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations Receipts from grants/contracts Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements including direct lending program Agency disbursements including direct lending program Receipts from gifts Receipts from gifts Receipts from pirts Receipts from pirts Receipts from pirts Receipts from capital financing activities  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts Proceeds from bond issuance Purchases of capital assets Principal paid on capital debt/leases Principal paid on capital debt/leases Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Receipts from sale/maturity of investments Receipt of interest/dividends from investments Net cash provided (used) by Investments Receipt of interest/dividends from investments Re	Receipts from grants/contracts	582,139
Loans issued to students Payments for scholarships and fellowships (18,238,406) Payments for scholarships and fellowships (137,040,947) Other operating receipts (2,728,189) Payments to suppliers (49,537,918) Net cash provided (used) by Operating Activities  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations Receipts from grants/contracts Agency receipts including direct lending program Agency receipts including direct lending program Agency disbursements including direct lending program Receipts for permanent endowments Receipts for permanent endowments Other noncapital financing activities  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts Receipts from capital grants/gifts Proceeds from bond issuance Purchases of capital assets (14,621,880) Principal paid on capital debt/leases Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Receipts from sale/maturity of investments Receipt of interest/dividends from investments Proceeds from bond issuance 18,135,000 Purchases of capital abet/leases Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Receipts from sale/maturity of investments Receipt of interest/dividends from investments Proceeds from sale/maturity of investments Receipt of interest/dividends from investments Rece	Receipts from auxiliary and educational services	19,028,023
Payments for scholarships and fellowships Payments for employee services and benefits (137,040,947) Other operating receipts 2,728,189 Payments to suppliers (49,537,918) Net cash provided (used) by Operating Activities (101,738,850)  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations Receipts from grants/contracts 37,692,195 Agency receipts including direct lending program 48,733,680 Agency disbursements including direct lending program 48,671,680 Receipts from gifts 7,662,463 Receipts for permanent endowments 2,432,006 Other noncapital financing activities (23,021) Net cash provided (used) by Noncapital Financing Activities  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts Proceeds from bond issuance Purchases of capital assets (14,621,880) Principal paid on capital debt/leases Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (21,291,000) Proceeds from sale/maturity of investments Receipt of interest/dividends from investments Proceeds from sale/maturity of investments Receipt of interest/dividends from investments Receipt of interest/dividends		
Payments for employee services and benefits Other operating receipts 2,728,189 Payments to suppliers (49,537,918) Net cash provided (used) by Operating Activities (101,738,850)  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements including direct lending program Agency disbursements including direct lending program Agency disbursements including direct lending program Agency fish for permanent endowments Agency for mitted Receipts for permanent endowments Other noncapital financing activities (23,021) Net cash provided (used) by Noncapital Financing Activities  Receipts from capital grants/gifts Acciptate from bond issuance Purchases of capital assets (14,621,880) Principal paid on capital debt/leases Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid		
Other operating receipts 2,728,189 Payments to suppliers (49,537,918) Net cash provided (used) by Operating Activities (101,738,850)  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations 73,372,300 Receipts from grants/contracts 37,692,195 Agency receipts including direct lending program 48,733,680 Agency disbursements including direct lending program (48,671,693) Receipts from grifts 7,662,463 Receipts for permanent endowments 2,432,006 Other noncapital financing activities 2,230,211 Net cash provided (used) by Noncapital Financing Activities 121,197,930  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (11,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 7,042,373 Purchase of investments 91,799,479 Net cash provided (used) by Investing Activities (6,658,407)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)		
Payments to suppliers Net cash provided (used) by Operating Activities  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements Agency disbursements Agency disbursements including direct lending program Agency disbursements Agency disbu		
Net cash provided (used) by Operating Activities  CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES  State appropriations 73,372,300 Receipts from grants/contracts 37,692,195 Agency receipts including direct lending program 48,733,680 Agency disbursements including direct lending program (48,671,693) Receipts from grifts 7,662,463 Receipts from grifts 7,662,463 Receipts for permanent endowments 2,432,006 Other noncapital financing activities (23,021) Net cash provided (used) by Noncapital Financing Activities 121,197,930  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (12,290,000) Interest paid on capital debt/leases (19,53,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net cash provided (used) by Investing Activities (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685		
State appropriations Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements including direct lending program Receipts from grifts Agency freceipts from gifts Receipts for permanent endowments Other noncapital financing activities Receipts from capital financing activities Receipts from capital grants/gifts Receipts from capital debt/leases Proceeds from bond issuance Purchases of capital assets Principal paid on capital debt/leases Reteated on capital debt/leases Receipts provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Purchase of investments Receipt of interest/dividends from investments Receipt of investments Recei		
State appropriations Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements A	Net cash provided (used) by Operating Activities	(101,738,850)
Receipts from grants/contracts Agency receipts including direct lending program Agency disbursements including direct lending program (48,671,693) Receipts from gifts 7,662,463 Receipts from gifts 7,662,463 Receipts from permanent endowments 2,432,006 Other noncapital financing activities (23,021) Net cash provided (used) by Noncapital Financing Activities 121,197,930  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases Principal paid on capital debt/leases Interest paid on capital debt/leases Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Receipt of interest/dividends from investments Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net lncrease (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year	CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Agency receipts including direct lending program Agency disbursements including direct lending program Receipts from gifts Receipts from gifts Receipts for permanent endowments Other noncapital financing activities Other noncapital financing activities Receipts from CAPITAL AND RELATED FINANCING ACTIVITIES  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts Proceeds from bond issuance 18,135,000 Purchases of capital assets Principal paid on capital debt/leases Principal paid on capital debt/leases Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Purchase of interest/dividends from investments Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities  Net cash provided (used) by Investing Activities  Net cash provided (used) by Investing Activities  Receipt of interest/dividends from investments (91,799,479) Net cash provided (used) by Investing Activities  Receipt of interest/dividends from investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)	State appropriations	73,372,300
Agency disbursements including direct lending program Receipts from gifts Receipts for permanent endowments Receipts from capital financing activities Receipts from CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts Receipts from capital grants/gifts Receipts from capital debt/leases Proceeds from bond issuance Receipts from capital absets Receipt on capital debt/leases Receipt debt/leases Receipt of interest paid on capital debt/leases Receipt of interest/dividends from investments Receipt of interest/dividends from investments Receipt of interest/dividends from investments Receipt of interest/dividends from investments Receipt of interest/dividends from investments Receipt of interest/divi	Receipts from grants/contracts	37,692,195
Receipts from gifts 7,662,463 Receipts for permanent endowments 2,432,006 Other noncapital financing activities (23,021) Net cash provided (used) by Noncapital Financing Activities 121,197,930  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 9,017,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net cash provided (used) by Investing Activities (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Agency receipts including direct lending program	48,733,680
Receipts for permanent endowments 2,432,006 Other noncapital financing activities (23,021) Net cash provided (used) by Noncapital Financing Activities 121,197,930  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Agency disbursements including direct lending program	(48,671,693)
Net cash provided (used) by Noncapital Financing Activities 121,197,930  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 181,35,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Receipts from gifts	7,662,463
Net cash provided (used) by Noncapital Financing Activities  CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES  Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Receipts for permanent endowments	2,432,006
Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Other noncapital financing activities	(23,021)
Receipts from capital grants/gifts 2,535,598 Proceeds from bond issuance 18,135,000 Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Net cash provided (used) by Noncapital Financing Activities	121,197,930
Proceeds from bond issuance Purchases of capital assets (14,621,880) Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126)  Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year	CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases of capital assets Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126) Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479) Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year	Receipts from capital grants/gifts	2,535,598
Principal paid on capital debt/leases (21,290,000) Interest paid on capital debt/leases (1,953,126)  Net cash provided (used) by Capital and related Financing Activities (17,194,408)  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479)  Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Proceeds from bond issuance	18,135,000
Interest paid on capital debt/leases Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Proceeds from investments Proceeds from investments Purchase of investments Net cash provided (used) by Investing Activities  Net cash provided (used) by Investing Activities  Net Increase (decrease) in Cash and Cash Equivalents  Cash and Cash Equivalents - Beginning of Year  (1,953,126) (17,194,408)  75,834,027 (91,799,479) (91,799,479) (8,923,079)  Cash and Cash Equivalents - Seginning of Year	Purchases of capital assets	(14,621,880)
Net cash provided (used) by Capital and related Financing Activities  CASH FLOWS FROM INVESTING ACTIVITIES  Proceeds from sale/maturity of investments Proceeds from investments Purchase of investments Purchase of investments Net cash provided (used) by Investing Activities  Net Increase (decrease) in Cash and Cash Equivalents  Cash and Cash Equivalents - Beginning of Year  (17,194,408)  75,834,027  7,042,373  (91,799,479)  (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents  (6,658,407)	Principal paid on capital debt/leases	(21,290,000)
Proceeds from sale/maturity of investments Proceeds from sale/maturity of investments Receipt of interest/dividends from investments Purchase of investments Net cash provided (used) by Investing Activities  Net Increase (decrease) in Cash and Cash Equivalents  Cash and Cash Equivalents - Beginning of Year  58,029,685	Interest paid on capital debt/leases	(1,953,126)
Proceeds from sale/maturity of investments 75,834,027 Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479)  Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Net cash provided (used) by Capital and related Financing Activities	(17,194,408)
Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479)  Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	CASH FLOWS FROM INVESTING ACTIVITIES	
Receipt of interest/dividends from investments 7,042,373 Purchase of investments (91,799,479)  Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Proceeds from sale/maturity of investments	75,834,027
Net cash provided (used) by Investing Activities (8,923,079)  Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Receipt of interest/dividends from investments	7,042,373
Net Increase (decrease) in Cash and Cash Equivalents (6,658,407)  Cash and Cash Equivalents - Beginning of Year 58,029,685	Purchase of investments	(91,799,479)
Cash and Cash Equivalents - Beginning of Year 58,029,685	Net cash provided (used) by Investing Activities	(8,923,079)
	Net Increase (decrease) in Cash and Cash Equivalents	(6,658,407)
Cash and Cash Equivalents - End of Year \$51,371,278	Cash and Cash Equivalents - Beginning of Year	58,029,685
	Cash and Cash Equivalents - End of Year	\$51,371,278

#### Statement of Cash Flows (continued)

#### Reconciliation of net operating income (loss) to net cash provided (used) by operating activities:

	2015
Operating income (loss)	\$(116,150,743)
Difference between actuarial calculated pension expense and actual contributions	\$(1,160,754)
Adjustments to reconcile net income (loss) to net cash provided (used by operating activites:	
Depreciation expense and loss on disposal	14,221,489
Donated property and equipment	222,962
Changes in assets and liabilities:	
Receivables (net)	(1,154,613)
Student loans receivable	775,772
Inventories	(471,927)
Prepaid expenses	368,252
Other current assets	(15,185)
Accounts payable	115,167
Accrued liabilities	(14,579)
Accrued payroll	58,131
Unearned revenue	1,745,576
Compensated absences and early retirement	(95,983)
Other current liabilities	(182,415)
Net cash provided (used) by Operating Activities	\$(101,738,850)
Noncash Investing, Capital, and Financing Activities:	
Increase (decrease) in fair value of investments	\$(4,981,342)
Capital assets acquired from State of Utah (DFCM)	5,522,250
Donated property and equipment	222,962
Total Noncash Investing, Capital, and Financing Activities	\$763,870







#### 1. Summary Of Significant Accounting Policies

Significant accounting policies followed by Weber State University (the University) are set forth below:

#### **Reporting Entity:**

The University is a component unit and an integral part of the State of Utah. The University is considered a component unit of the State of Utah because it receives appropriations from the State and is financially accountable to the State. The financial activity of the University is included in the State's Comprehensive Annual Financial Report, as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity.

The financial statements include the accounts of the University, all auxiliary enterprises, and other restricted and unrestricted funds of the University, the Weber State University Foundation (the Foundation) and the Weber State University Research Foundation (the Research Foundation). The Foundation and the Research Foundation, non-profit organizations, were incorporated under Utah law in 1972 and 2009, respectively. The Foundation was established to provide support for the University, its faculty and students, and to promote, sponsor, and carry-out educational, scientific, charitable, and related activities and objectives at the University. The Research Foundation was established to further the educational and research mission of the University. The University has a controlling number of positions on the Board of Directors of the Foundation and the Research Foundation.

The Foundation and the Research Foundation are included in the financial statements of the University as blended component units. A blended component unit is an entity which is legally separate from the University but which is so intertwined with the University that it is, in substance, the same as the University. It is reported as part of the University. Financial statements of the Foundation and the Research Foundation can be obtained from the University. In Note 10, condensed financial statements have been prepared for the Foundation. Due to minimal financial activity, condensed financial statements have not been prepared for the Research Foundation.

#### **Basis of Accounting:**

Under the provisions of the GASB standards, the University is permitted to report as a special-purpose government engaged in business-type activities (BTA). BTA reporting requires the University to present only the basic financial statements and required supplementary information (RSI) for an enterprise fund. This includes an MD&A, a statement of net position, a statement of revenues, expenses, and changes in net position, a statement of cash flows, notes to the financial statements, and other applicable RSI. The required basic financial statements described above are prepared using the economic resources measurement focus and the accrual basis of accounting. Operating activities include all revenues and expenses, derived on an exchange basis, used to support the instructional, research and public efforts, and other University priorities. Fund financial statements are not required for BTA reporting.

In accordance with GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions, the University recognizes the estimated net realizable value of pledges as revenue as soon as all eligibility and time requirements imposed by the provider have been met.

#### **Cash Equivalents:**

For purposes of the statements of cash flows, the University considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Funds invested through the Utah State Treasurers' Investment Pool are also considered cash equivalents.

#### **Investments:**

The University accounts for its investments at fair value in accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. Changes in unrealized gains (losses) 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.

#### Inventories:

Inventories held for resale are stated at the lower of cost (first-in, first-out method) or market or on a basis which approximates cost determined on the first-in, first-out method. Non-resale inventories are expensed as purchased. Bookstore inventories are valued using the retail inventory method.

#### **Deferred Outflows:**

In accordance with GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, losses incurred due to refunding of bond debt are reported as deferred outflows rather than as bond liabilities.

#### **Capital Assets:**

Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. For equipment, the University'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. Buildings, renovations to buildings, infrastructure, and land improvements with a cost of \$250,000 or more are capitalized. Prior to FY2015, the minimum capitalization threshold related to buildings, renovations to buildings, infrastructure, and land improvements was \$50,000. The University has elected to treat this change in capitalization thresholds prospectively. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. All land is capitalized and not depreciated.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, 40 years for buildings, 20 years for infrastructure, land improvements, and library collections, and 3 to 10 years for equipment.

#### **Unearned Revenues:**

Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors that have not yet been earned.

#### **Compensated Absences:**

Non-academic full-time and certain part-time University employees earn vacation leave for each month worked at a rate between 12 and 22 days per year. Vacation time may be used as it is earned. A maximum of 240 hours can be carried over into the next vacation year, which begins each November 1. Upon termination, no more than the maximum plus the current year earned vacation is payable to the employee.

Non-academic full-time and certain part-time University employees earn sick leave at the rate of one day earned for each month worked. No payment is made for unused sick leave in the event of termination. After an employee has accumulated 18 days of unused sick leave, any sick leave days accumulated by the end of the sick leave year in excess of 8 days may be converted at the option of the employee to vacation days. A liability is recognized in the Statement of Net Position for vacation payable to the employees at the statement date.

#### Non-current Liabilities:

Non-current liabilities include (1) principal amounts of revenue bonds payable, notes payable, and capital lease obligations with contractual maturities greater than one year; (2) estimated amounts for accrued compensated absences and other liabilities that will not be paid within the next fiscal year; and (3) other liabilities that, although payable within one year, are to be paid from funds that are classified as non-current assets.

#### **Pensions:**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (Systems) and additions to/deductions from the Systems fiduciary net position have been determined on the same basis as they are reported by the Systems. 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.

#### **Adjustment to Beginning Net Position:**

Effective July 1, 2014, the University implemented GASB Statement No. 68, Accounting and Financial Reporting for Pensions. As a result, beginning net position was reduced \$14,166,814. This reduction reflects the University's \$15,871,588 Tier 1 share of the beginning net pension liability in the Systems, the University's \$4,530 Tier 2 share of the beginning net pension asset in the Systems, and the University's \$1,700,244 of contributions made to the Systems between January 1 and June 30, 2014. See Note 7 for further information on pension reporting.

#### **Net Position:**

The University's net position is classified as follows:

**Net investment in capital assets:** This represents the University's total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets.

Restricted net position - nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

**Restricted net position - expendable:** Restricted expendable net position includes resources in which the University is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted net position: Unrestricted net position represents resources derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the University, and may be used at the discretion of the governing board to meet current expenses for any purpose. These resources also include unrestricted quasi-endowments.

#### Classification of Revenues and Expenses:

The University has classified its revenues and expenses 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 (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of educational activities and auxiliary enterprises, net of scholarship discounts and allowances, (3) federal, state, local, and nongovernmental research grants and contracts, and (4) interest on institutional student loans.

Non-operating revenues: Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as (1) gifts and contributions, (2) non-research federal, state, local, and nongovernmental grants and contracts and (3) other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, and GASB Statement No. 34, such as state appropriations and investment income.

Operating expenses: Operating expenses include activities that have the characteristics of exchange transactions, such as (1) salaries and wages, (2) employee benefits, (3) scholarships and fellowships, (4) depreciation, and (5) other operating expenses.

**Non-operating expenses:** Non-operating expenses primarily include interest on debt obligations.

When both restricted and unrestricted resources are available, such resources are spent and tracked at the discretion of the department subject to donor restrictions, where applicable.

#### **Scholarship Discounts and Allowances:**

Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or non-operating revenues

in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship discount and allowance. The following schedule presents revenue allowances for the year ended June 30, 2015:

Revenue	2015
Tuition and Fees	\$29,816,132
Auxiliary enterprises	\$601,876

#### 2. Cash & Investments

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

Except for endowment funds, the University follows the requirements of the Utah Money Management Act (Utah Code, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of University funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

For endowment funds, the University follows the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and State Board of Regents, Management and Reporting of Institutional Investments (Rule 541).

#### **Deposits**

#### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the University's deposits may not be returned to it. The University does not have a formal policy for custodial credit risk that further limits what is required by the State Money Management Act. As of June 30, 2015, the University had bank and deposit balances of \$28,113,950 at Wells Fargo, \$250,006 at Bancorp, and \$383,064 held by State Street, of which \$27,997,020 was uninsured and uncollateralized. The Foundation had \$58,540 held by Key Bank, and \$21,194 held by Morgan Stanley Smith Barney, all of which was insured. The State of Utah does not require collateral on deposits.

#### **Investments**

The Money Management Act defines the types of securities authorized as appropriate investments for the University's non-endowment funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the University to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers' Investment Fund.

The UPMIFA and Rule 541 allow the University to invest endowment funds (including gifts, devises, or bequests of property of any kind from any source) in any of the above investments or any of the following subject to satisfying certain criteria: mutual funds registered with the Securities and Exchange Commission, investments sponsored by the Common Fund; any investment made in accordance with the donor's directions in a written instrument; investments in corporate stock listed on a major exchange (direct ownership); and any alternative investment funds that derive returns primarily from high yield and distressed debt (hedged or non-hedged), private capital (including venture capital and private equity), natural resources, and private real estate assets or absolute return and long/short hedge funds.

According to the Uniform Prudent Management of Institutional Funds Act (UPMIFA), Title 51-8 of the Utah Code, the University may appropriate for expenditure or accumulate so much of an endowment fund as the University determines to be prudent for uses, benefits, purposes, and duration for which the endowment was established. The endowment income spending policy at June 30, 2015, is 4% of the twelve quarter moving average of the market value of the endowment pool. The spending policy is reviewed periodically and any necessary changes are made. The amount of net appreciation investments of donor-restricted endowments that were available for authorization for expenditure at June 30, 2015 was approximately \$7.8 million. The net appreciation is a component of restricted expendable net assets.

The Utah State Treasurer's Office operates the Public Treasurers' Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, (*Utah Code*, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and

participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses – net of administration fees, of the PTIF are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

As of June 30, 2015, the University had the following debt investments and maturities:

		Inves	tment Maturities (	in Years)
Investment Type	Fair Value	Less than 1	1-5	6-10
State of Utah Public Treasurer's Investment Fund	\$46,707,100	\$46,707,100	\$ -	\$ -
Mutual Bond Funds	23,721,086		9,225,573	14,495,513
U.S. Agencies	44,895,289	-	19,906,314	24,988,975
Money Market Mutual Funds	383,064	383,064	-	-
Total	\$115,706,539	\$47,090,164	\$29,131,887	\$39,484,488

#### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State's Money Management Act or the UPMIFA and Rule 541, as applicable. For non-endowment funds, Title 51-7-11 of the Money Management Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days - 15 months or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

For endowment funds, Rule 541 is more general, requiring only that investments be made as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the endowments and by exercising reasonable care, skill, and caution.

#### **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The University's policy for reducing its exposure to credit risk is to comply with the State's Money Management Act, the UPMIFA, and Rule 541, as previously discussed.

At June 30, 2015, the University had the following debt investments and quality ratings:

		S&P Qualit	y Ratings
Investment Type	Fair Value	AA+	Unrated
State of Utah Public Treasurer's Investment Fund	\$46,707,100	\$ -	\$46,707,100
Mutual Bond Funds	23,721,086	-	23,721,086
U.S. Agencies	44,895,289	44,895,289	-
Money Market Mutual Funds	383,064	-	383,064
Total	\$115,706,539	\$44,895,289	\$70,811,250

#### **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The University's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council or the UPMIFA and Rule 541, as applicable. Rule 17 of the Money Management Council limits non-endowment fund investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

For endowment funds, Rule 541 requires that a minimum of 25% of the overall endowment portfolio be invested in fixed income or cash equivalents. Also, the overall endowment portfolio cannot consist of more than 75% equity investments. Rule 541 also limits investments in alternative investment funds, as allowed by Rule 541, to between 0% and 30% based on the size of the University's endowment fund.

#### **Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The University does not have a formal policy for custodial credit risk that further limits what is required by the State Money Management Act. As of June 30, 2015, the University had \$44,895,289 in U.S. agencies, and \$409,700 in stock, that are uninsured and held by the counterparty but not in the University's name.

#### 3. Capital Assets And Long-Term Liabilities

Changes in capital assets and long-term liabilities for the year ended June 30, 2015 are summarized below:

#### **Capital Assets**

	Beginning Balances	Additions	Reductions	Ending Balance
Land	\$9,872,232	\$757,420	\$-	\$10,629,652
Land improvements & infrastructure	39,042,004	3,852,758	772,453	42,122,309
Buildings	358,112,722	8,600,167	22,650	366,690,239
Equipment	25,483,554	2,070,633	881,491	26,672,696
Library collections	24,769,630	461,884	1,416,798	23,814,716
CIP	3,548,883	15,134,578	7,552,814	11,130,647
Total	460,829,025	30,877,440	10,646,206	481,060,259
Less: Accumulated depreciation for:				
Land improvements & infrastructure	11,073,972	2,011,700	772,453	12,313,219
Buildings	134,773,705	9,300,925	22,650	144,051,980
Equipment	19,980,798	2,057,397	875,325	21,162,870
Library collections	17,165,143	845,299	1,416,798	16,593,644
Total	182,993,618	14,215,321	3,087,226	194,121,713
Capital assets, net	\$277,835,407	\$16,662,119	\$7,558,980	\$286,938,546

#### **Long Term Liabilities**

	Beginning Balances	Additions	Reductions	Ending Balance	<b>Current Portion</b>
Bonds payable:					
Bonds payable	\$59,005,000	\$18,135,000	\$21,290,000	\$55,850,000	\$2,410,000
Unamortized bond premium	1,073,930	1,767,439	546,078	2,295,291	146,028
Total contract and bond obligations	60,078,930	19,902,439	21,836,078	58,145,291	2,556,028
Other Liabilities:					
Compensated absences	4,104,976	1,440,962	1,818,449	3,727,489	1,977,373
Termination benefits payable	2,340,195	1,517,138	1,235,634	2,621,699	1,301,416
Net Pension liability	15,871,588	-	1,939,305	13,932,283	-
Annuities payable	536,263	32,119	54,272	514,110	55,140
Total other liabilities	22,853,022	2,990,219	5,047,660	20,795,581	3,333,929
Total long-term liabilities	\$ 82,931,952	\$ 22,892,658	\$ 26,883,738	\$ 78,940,872	\$ 5,889,957

#### 4. Revenue Bonds Payable

Revenue bonds payable consisted of the following at June 30, 2015:

Revenue Bonds, Series 2015, \$18,135,000 2%-5% maturing 2015 through 2030 Student Facilities System	\$ 18,135,000
Revenue Bonds, Series 2012, \$17,380,000 3%-4% maturing 2013 through 2032	15,535,000
Student Facilities System Revenue Bonds, Series 2010A, \$14,015,000 1.75%-5.15% maturing 2014 through 2040	13,270,000
Student Facilities System Refunding Revenue Bonds, Series 2007, \$10,155,000	0.010.000
3.50%-5.00% maturing 2008 through 2031	8,910,000 55,850,000
Plus unamortized bond premium	2,295,291
Total bonds payable	\$58,145,291

Principal and interest on these revenue bonds are collateralized by a first lien on certain revenue and other income of the University operations. The Student Facilities System includes the Student Union Building; the University bookstore; the Dee Events Center, including the parking and all concessions; Series 2012 System Facilities; and student housing facilities. The general purpose for which the secured debt was issued is for student facilities capital additions and improvements. All revenues from these facilities and student building fees are

pledged to the Series 2007, Series 2010A, Series 2012, and Series 2015 Revenue Bonds and are included in Student Tuition & Fees and Auxiliary Enterprises Revenue. In addition, the Bonds are insured by the Municipal Bond Insurance Association, the Assured Guaranty Municipal Corporation (formerly Financial Security Assurance, Inc.), or by a debt service reserve account, for the timely payment of principal and interest. For the year ended June 30, 2015, the receipts and disbursements of pledged revenues were as follows:

Receipts	
Pledged auxiliary operating revenue	\$19,308,186
Student building fees	3,941,306
Total receipts	23,249,492
Disbursements	
Pledged auxiliary operating expenses	17,169,175
Excess of pledged receipts over expenses	\$ 6,080,317
Debt service principal and interest payments	\$ 4,293,951

The scheduled maturities of the revenue bonds are as follows:

	Principal	Interest	Total Payments
2016	\$2,410,000	\$2,231,596	\$4,641,596
2017	2,470,000	2,147,528	4,617,528
2018	2,575,000	2,056,690	4,631,690
2019	2,665,000	1,964,943	4,629,943
2010	2,740,000	1,888,218	4,628,218
2021-2025	15,420,000	7,602,317	23,022,317
2026-2030	17,970,000	4,272,464	22,242,464
2031-2035	6,065,000	1,527,103	7,592,103
2036-2040	3,535,000	547,422	4,082,422
Totals	\$ 55,850,000	\$ 24,238,281	\$80,088,281

#### **Defeased Revenue Bonds**

In fiscal year 2015, the University issued Student Facilities System Revenue Refunding Bonds, Series 2015, in the amount of \$18,135,000 and defeased portions of the 2005 Bonds by placing proceeds from the 2015 Bonds in an irrevocable trust escrow account to refund, in advance of their stated maturity, portions of the 2005 Bonds. This advance refunding resulted in a reduction of the University's aggregate debt service payments of approximately \$3,898,085 over 17 years and a net present value benefit of \$2,630,513. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the University's financial statements.

On June 30, 2015, \$19,100,000 of bonds outstanding are considered defeased.

#### 5. Accounts Receivable and Payable

Accounts receivable consist primarily of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff, the majority of each residing in the State of Utah. Grants and contracts receivable include amounts due from the Federal Government, local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grant and contracts. Receivable from State agencies includes amounts due from State agencies in connection with the reimbursement of allowable expenses made pursuant to the University's grants and contracts. Accounts receivable are recorded net of estimated un-collectible amounts. Accounts payable at June 30, 2015 are primarily made up of payments to vendors. The following schedule presents receivables as of June 30, 2015, including approximately 3,007,196, 5,022,648, and 875,457 of net, noncurrent accounts, student loans, and pledges receivable:

Accounts	\$10,387,825
Grants and contracts	795,517
Student loans	6,697,084
Pledges	2,563,215
Receivable from state agencies	1,090,226
Interest	196,670
Total receivables	21,730,537
Less allowances for doubtful accounts	(4,357,243)
Receivables, net	\$17,373,294

#### 6. Operating Leases

The University leases several buildings for classes and various programs. Total costs for such leases were \$212,839 for the year ended June 30, 2015. The following is a schedule by year of future operating lease payments for the previously described operating leases:

	Fiscal Year	Operating
	Ending June 30	Leases
	2016	\$281,592
	2017	464,451
	2018	327,897
	2019	281,524
	2020	288,562
	2021-2026	1,889,320
Total future minimum lease payments		\$ 3,533,346

#### 7. Pension Plans And Retirement Benefits

As required by State law, eligible non-exempt employees of the University (as defined by the U.S. Fair Labor Standards Act) are covered by either the State and School Contributory, Noncontributory, or Hybrid Retirement Systems, and eligible exempt employees (as defined by the U.S. Fair Labor Standards Act) are covered by the Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF).

#### **Defined Contribution Plans**

TIAA-CREF provides individual retirement fund contracts with each participating employee. Benefits provided to retired employees are generally based on the value of the individual contracts and the estimated life expectancy of the employee at retirement, and are fully vested from the date of employment. Employees are eligible to participate from the date of employment and are not required to contribute to the fund. For the year ending June 30, 2015, the University's contribution to this defined contribution plan was 14.2% of the participating employees' annual salaries (12.25% for post-retired employees), or \$9,092,340. The compensation for employees covered by TIAA-CREF (including post-retired employees), for the year ended June 30, 2015, was \$64,054,659. The University has no further liability once annual contributions are made.

Employees who participate in the State and School Noncontributory, Tier 2 Hybrid, and Tier 2 Defined Contribution pension plans also participate in qualified contributory 401(k) and 457 savings plans administered by the "Utah Retirement Systems" (Systems). The University contributes 1.5%, 1.78%, and 10%, respectively of participating employees' annual salaries to a 401(k) plan administered by the Systems. During the year ended June 30, 2015, the University's contribution totaled \$292,548, and the participating employees' voluntary contributions totaled \$385,892.

#### **Defined Benefit Plans**

Eligible plan participants are provided with pensions through the Systems. The University participates in the following pension trust

- Public Employees Noncontributory Retirement System (Noncontributory System) and Public Employees Contributory Retirement System (Contributory System or Tier 1): multiple employer, cost sharing, public employees retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System): a multiple employer, cost sharing, public employees retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

Systems are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds and are a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. The Systems publicly available financial report can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

The Systems provide retirement benefits as follows:

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age	2.0% per year all years	Up to 4%
		25 years any age*		
		20 years age 60*		
		10 years age 62*		
		4 years age 65		
Contributory System	Highest 5 years	30 years any age	1.25% per year to June 1975;	Up to 4%
		20 years age 60*	2% per year July 1975 to present	
		10 years age 62*		
		4 years age 65		
Tier 2 Public Employees System	Highest 5 years	35 years any age	1.5% per year all years	Up to 2.5%
		20 years any age 60*		
		10 years age 62*		
		4 years age 65		

<sup>\*</sup> with actuarial reductions

\*\* All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

		Paid by Employer	
	Employee Paid	for Employee	<b>Employer Contribution Rates</b>
Contributory System			
12 - State and School Division Tier 1	N/A	6.0%	17.70%
112 - State and School Division Tier 2	N/A	N/A	18.27%
Non Contributory System			
16 - State and School Division Tier 1	N/A	N/A	22.19%

At December 31, 2014, we reported a net pension asset of \$15,152 and a net pension liability of \$13,932,283.

	Proportionate Share	Net Pension Asset	Net Pension Liability
Noncontributory System	.5493026%	\$0	\$13,801,385
Contributory System	1.1937980%	\$0	\$130,898
Tier 2 Public Employees System	.4999827%	\$15,152	\$0
Total Net Pension Asset/Liability		\$15.152	\$13,932,283

The net pension asset and liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2014 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2014.

For the year ended December 31, 2014, the University recognized pension expense of \$2,717,322. At December 31, 2014, the University 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	\$0	\$844,168
Changes in assumptions	\$0	\$464,540
Net difference between projected and actual earnings on pension plan investments	\$269,547	\$0
Changes in proportion and differences between contributions and proportionate share of contributions	\$0	\$0
Contributions subsequent to the measurement date	\$1,950,232	\$0
Total	\$2,219,779	\$1,308,708

\$1,950,232 was reported as deferred outflows of resources related to pensions results from contributions made by the University prior to our fiscal year end, but subsequent to the measurement date of December 31, 2014. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (inflows) of Resources
2015	(\$267,269)
2016	(\$267,269)
2017	(\$267,269)
2018	(\$220,789)
2019	(\$2,650)
Thereafter	(\$13,915)

**Actuarial assumptions:** The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation: 2.75%

Salary increases: 3.50 - 10.75%, average, including inflation

Investment rate of return: 7.50%, net of pension plan investment expense, including inflation

Active member mortality rates are a function of the member's gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below.

#### Class of Member

### Educators Men EDUM (90%) Women EDUF (100%)

#### Local Government, Public Employees

Men RP 2000mWC (100%) Women EDUF (120%)

EDUM = Constructed mortality table based on actual experience of male educators multiplied by given percentage
EDUF = Constructed mortality table based on actual experience of female educators multiplied by given percentage
RP 2000mWC = RP 2000 Combined mortality table for males with white collar adjustments multiplied by given percentage

The actuarial assumptions used in the January 1, 2014, valuation were based on the results of an actuarial experience study for the five year period of January 1, 2008 - December 31, 2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

#### **Expected Return Arithmetic Basis**

Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return		
Equity securities	40%	7.06%	2.82%		
Debt securities	20%	.80%	.16%		
Real assets	13%	5.10%	.66%		
Private Equity	9%	11.30%	1.02%		
Absolute return	18%	3.15%	.57%		
Cash and cash equivalents	0%	0.00%	0.00%		
Totals	100%		5.23%		
Inflation			2.75%		
Expected	d arithmetic nominal return		7.98%		

The 7.50% assumed investment rate of return is comprised of an inflation rate of 2.75% and a real return of 4.75% that is net of investment expense.

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease	Discount Rate	1% Increase		
	(6.5%)	(7.5%)	(8.5%)		
Proportionate share of Net pension (asset)/liability	\$28,706,616	\$13,917,131	\$1,533,418		

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

#### 8. Construction Commitments

The Utah State Division of Facilities Construction and Management (DFCM) administers most of the construction of facilities for state institutions, maintains records, and furnishes cost information for recording land assets on the books of the University. State-funded construction projects administered by DFCM will not be recorded on the books of the University until the facility is available for occupancy. At June 30, 2015, the University had outstanding commitments for the construction and remodeling of University buildings of approximately \$9,873,748.

#### 9. Termination Benefits

In addition to the pension benefits described in Note 7, the University provides an early retirement program to qualified employees that are approved by the administration in accordance with University policy as approved by the State Board of Regents. Full-time salaried employees who will have 15 years of full-time service and are within ten years of the Full Retirement Age (FRA) on the date of the proposed retirement are eligible to apply for the early retirement program. Full Retirement Age (FRA), or normal retirement age, is the age a person can receive full (100%) social security benefits as specified by the Social Security Administration. Full-time service will include approved leaves of absence with pay such as sabbaticals. Hourly service is not credited. The benefits include a semi-monthly stipend of between 14.28% to 30% of the retiree's salary at the end of active employment along with health and dental insurance. The benefits are paid by the University at a rate of 71.4% to 100% for medical and 57.1% to 80.0% for dental benefits. Benefits are payable for 7 years or until the retiree reaches age 65 for health and dental insurance and until the employee reaches Full Retirement Age (FRA) for the stipend.

There are currently 62 retirees who are receiving benefits under the University's early retirement program. The University has recorded a liability for the cost of these benefits at their net present value in the year the individuals retire using a discount rate of 2%. To offset increasing healthcare and dental costs, the University has also adjusted the liability by 3.00% to account for these estimated future increases. The expense for the early retirement program for the year ended June 30, 2015, was \$1,235,634.

#### 10. WSU Foundation - Blended Presentation Component Unit

The Weber State University Foundation (the Foundation) is a legally separate, tax-exempt component unit of the University. The Foundation acts primarily as a fund-raising organization to supplement resources that are available to the University in support of its programs. The majority of the resources or income the Foundation holds and invests is restricted to the activities of the University by the donors. Additionally, the University Board of Trustees approves the individuals who are appointed to serve on the Foundation's governing board. These restricted resources held by the Foundation can only be used by, or for the benefit of the University. For these reasons the Foundation is considered a component unit of the University and is presented in the University

financial statements as a blended component unit. Separately issued financial statements for the Foundation can be obtained from the University at 3850 Dixon Parkway Department 1014, Ogden Utah 84408-1014.

The following is a condensed version of their financial statements for the fiscal year ended June 30, 2015.

Statement of Net Position Assets	
Current Assets Other Current Assets	\$370,808
Non Current Assets Restricted Cash & Cash Equivalents Investments Total Assets	222,789 12,086,608 12,680,205
Liabilities Current Liabilities Current Liabilities	62,657
Noncurrent Liabilities Annuities Payable Total Liabilities	458,970 521,627
Net Position Restricted Restricted Total Net Position	12,158,578 \$12,158,578
Statement of Revenues, Expenses, and Changes in Net Position	
Operating Revenues Gifts Total Operating Revenues Operating Expenses	\$72,500 72,500
Other Expenses  Transfers to University  Total Operating Expenses and Transfers	41,389 368,060 409,449
Operating Income (Loss)  Nonoperating Revenues  Investment Income (Loss)	(336,949)
Change in Net Position Net Position at beginning of year	(481,486) 12,640,064 \$12,158,578
Net Position at end of year	\$12,136,376
Statement of Cash Flows	
Cash Flows from Operating Activities Cash Received through contributions Cash Payments for operations Transfers to University Net Cash Provided by (used in) Operating Activities	\$72,500 (89,647) (368,060) (385,207)
Cash Flows from Investing Activities Investment Income Investment Purchases/Proceeds	963,470 (598,714)
Net Cash Provided by (used in) Investing Activities Increase in Cash and Cash Equivalents	364,756 (20,451)
Cash and Cash Equivalents at beginning of year Cash and Cash Equivalents at end of year	243,240 \$222,789

#### 11. Risk Management

The University maintains insurance coverage for commercial general liability, automobile, errors and omissions, and property (buildings and equipment) through policies administered by the Utah State Risk Management Fund. Employees of the University and authorized volunteers are covered by workers' compensation and employees' liability through the Workers' Compensation Fund of Utah.

#### Required Supplementary Information

Schedule of Weber State University's Proportionate Share of the Net Pension Liability Noncontributory, Contributory, & Tier 2 Public Employees Systems of the Utah Retirement Systems

#### Schedule of Proportionate Share of the Net Pension Liability

	Noncontributory System	Contributory System	Tier 2 Public Employees System
Proportion of Net Pension Liability (Asset)	.54930260%	1.19379800%	.4999827%
Proportionate Share of Net Pension Liability (Asset)	\$13,801,385	\$130,898	\$(15,152)
Covered Employee Payroll	\$14,708,544	\$429,730	\$2,452,491
Proportionate Share of Net Pension Liability (Asset) as a percentage of Covered-Employee Payroll	93.8%	30.5%	(0.6%)
Plan Fiduciary Net Position of Total Pension Liability	87.2%	98.7%	103.5%

<sup>\*</sup>Note: The University implemented GASB Statement No. 68 in fiscal year 2015. Information on the University's portion of the plans' net pension liabilities (assets) is not available for periods prior to fiscal year 2015.

Schedule of Defined Benefit Contributions Noncontributory, Contributory, & Tier 2 Public Employees Systems of the Utah Retirement Systems Last 10 Fiscal Years\*

#### Schedule of Defined Benefit Pension Contributions

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	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 3,239,631	\$ 2,914,501	\$ 2,692,824	\$ 2,406,594	\$ 2,313,852	\$ 2,040,927	\$ 2,225,286	\$ 2,148,480	\$ 2,064,949	\$ 1,882,204
Contributions in Relation to the Contractually Required Contribution	(3,239,631)	(2,914,501)	(2,692,824)	(2,406,594)	(2,313,852)	(2,040,927)	(2,225,286)	(2,148,480)	(2,064,949)	(1,882,204)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 14,599,504	\$ 14,244,873	\$ 14,354,071	\$ 14,273,985	\$ 14,178,027	\$ 14,352,514	\$ 15,648,983	\$ 15,108,865	\$ 14,521,384	\$ 14,067,267
Contributions as a Percentage of Covered-Employee Payroll	22.19%	20.46%	18.76%	16.86%	16.32%	14.22%	14.22%	14.22%	14.22%	13.38%

#### **Contributory System**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 104,601	\$ 93,105	\$ 84,937	\$ 86,171	\$ 92,796	\$ 82,107	\$ 86,762	\$ 82,331	\$ 80,324	\$ 73,202
Contributions in Relation to the Contractually Required Contribution	(104,601)	(93,105)	(84,937)	(86,171)	(92,796)	(82,107)	(86,762)	(82,331)	(80,324)	(73,202)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 441,353	\$ 423,784	\$ 419,028	\$ 469,082	\$ 520,448	\$ 521,979	\$ 551,572	\$ 523,404	\$ 510,645	\$ 491,622
Contributions as a Percentage of Covered-Employee Payroll	23.70%	21.97%	20.27%	18.37%	17.83%	15.73%	15.73%	15.73%	15.73%	14.89%

#### Tier 2 Public Employee System

nei E i abne Employee oystem										
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 526,517	\$ 367,060	\$ 187,733	\$ 54,317	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in Relation to the Contractually Required Contribution	(526,517)	(367,060)	(187,733)	(54,317)						
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Employee Payroll	\$ 2,881,559	\$ 2,191,402	\$ 1,246,565	\$ 426,352						
Contributions as a Percentage of Covered-Employee Payroll	18.27%	16.75%	15.06%	12.74%						

<sup>\*</sup>The Tier 2 Public Employees System was created in fiscal year 2011.

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2015 ANNUAL FINANCIAL REPORT

Prepared by:

Weber State University Accounting Services

3850 Dixon Parkway Dept 1014 Ogden, Utah 84408-1014 Phone: 801-626-7443

Fax: 801-626-7464

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