

2023

ANNUAL FINANCIAL REPORT

Central Washington University





ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2023



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EXECUTIVE OFFICERS (AT JUNE 30, 2023)

Jim Wohlpart, President

Andrew Morse, Chief of Staff

Michelle DenBeste, Provost/Vice President for Academic and Student Life

Joel Klucking, CFO, Vice President for Business and Financial Affairs

Paul Elstone, Vice President of University Advancement

Jonathon Henderson, Int. Executive Director of Institutional Effectiveness, Research, and Planning

Lucha Ortega, Interim Vice President for Student Engagement and Success

Virginia Tomlinson, Associate Vice President Information Services and Security

BOARD OF TRUSTEES (AT JUNE 30, 2023)

Erin Black, Chair

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Gladys Gillis, Trustee

Zabrina Jenkins, Trustee

Sasha Mitchell, Student Trustee



Dear CWU Community:

It's been another banner year at Central Washington University, and we are looking forward to even greater success in the years ahead.

As we begin to implement our five-year Strategic Plan, approved by the Board of Trustees last summer, we are making steady progress toward our Vision to be a model learning community of equity and belonging.

Across our organization — from our faculty and staff to our students and alumni — CWU has embraced a philosophy that everyone should have the same opportunities to create a better future for themselves and their families.

Guided by a set of carefully crafted Core Values, every member of the CWU family is committed to doing whatever we can to ensure the success of our fellow Wildcats and the communities we serve.

Meanwhile, we continue to deepen our commitment to affordable, accessible, and student success-focused learning by elevating our support structures to reduce barriers for the diverse learners we serve. This is, and continues to be, a primary focus for university leadership and our campus community.

By keeping who we are and who we serve at the center of our work, CWU will make good on our commitment to student success and ensure that all learners have access to the engaged- and applied-learning experiences that are essential for academic excellence and professional preparation.

At the same time, we must adapt to the ever-changing landscape in higher education. One of the ways we hope to meet this challenge head-on is through our six-year plan called The Central Experience.

The plan, introduced in the fall of 2022, outlines eight steps CWU will take to accomplish our goals, such as improving financial aid application completion rates statewide; focusing on engaged learning methods, such as High Impact Practices (HIPs); addressing the comprehensive well-being of all members of the CWU community; and committing additional resources for non-tenure track faculty.

We have been working closely with Washington lawmakers to keep these priorities at the forefront during state budget discussions, and we continue to make tremendous progress. Our government relations efforts during the 2023 Legislative session helped us secure \$90 million toward the new North Academic Complex — a massive arts and humanities-focused facility that will replace the Language and Literature (L&L) Building and Farrell Hall.

Our work in Olympia last year also delivered \$6 million in initial funding toward the construction of a comprehensive Multicultural Center that we believe will enhance a sense of belonging among the communities that make the CWU student population so diverse. We will continue working with our representatives this year to deliver on additional priorities, including the construction of a second GeoEco Plant on the Ellensburg campus.

These campus modernization efforts, combined with our commitment to creating opportunities for learners from all different backgrounds, will continue to set CWU apart in the increasingly competitive higher education marketplace.

For Central to truly stand out, we must deliver an experience unlike any other. We understand that we must create a culture that not only makes our students feel welcome, appreciated, and supported; we must also offer them an experience they can't find anywhere else.

I am confident that CWU's future remains exceedingly bright, and I genuinely appreciate the work everyone in the CWU community is doing every day as we work to create transformational life experiences for our students and communities.

Sincerely,



A. James Wohlpart
President





Initiatives and Achievements

2023 HIGHLIGHTS

CWU Recognized as a Fulbright U.S. Scholar Top Producing Institution

CWU was named as a Fulbright U.S. Scholar Program Top Producing Institution for 2022-23.

With three CWU faculty members selected to the prestigious program last year, and three others chosen between 2019-21, CWU ranks among the nation's most decorated institutions for the federal government's flagship international educational exchange program.

CWU's Fulbright U.S. Scholar participants were former Provost Michelle DenBeste, Associate Provost Elvin Delgado, and Geological Sciences Professor Susan Kaspari. DenBeste traveled to France as part of a Fulbright International Education Administrators (IEA) grant; Delgado visited Chile under a Fulbright Specialist grant; and Kaspari lived in Norway on a Fulbright Scholar grant.



CWU Wind Ensemble selected to WASBE International Conference

Director of Bands Dr. T. André Feagin and the 49 members of the CWU Wind Ensemble added some international acclaim to their résumés last year when they were selected to perform at the World Association for Symphonic Band and Ensembles (WASBE) International Conference in South Korea this summer.

The biennial WASBE conference is the preeminent forum for groups like the CWU Wind Ensemble to showcase their work alongside other top musicians from around the world.

WASBE is the only international organization of wind band conductors, composers, performers, publishers, teachers, instrument makers, and friends of wind music.



English professor takes home New American Poetry Prize

CWU professor Maya Jewel Zeller's poetry earned some well-deserved recognition on the national stage. Last spring, Zeller's manuscript, *out takes/ glove box*, was awarded the 2022 New American Poetry Prize. The manuscript has previously been a finalist with the National Poetry Series, the Jake Adam York, and the New American Poetry Prize, but winning the New American is a major breakthrough.

In addition to claiming the prestigious New American Poetry Prize, Zeller's winning manuscript has been published and is being sold nationwide and internationally. She also received a \$1,500 cash prize and 25 copies of the book, plus promotional support from the publisher.



Business professor receives national award for diversity leadership

Central Washington University's Kuolt Distinguished Professor of Business Andy Parks received one of the most prestigious honors in U.S. higher education in April when he was presented with the 2023 Reginald Wilson Diversity Leadership Award from the American Council on Education (ACE).

The award, named in honor of the senior scholar emeritus at ACE and founding director of the Office of Minority Concerns, is presented annually to an individual who has made outstanding contributions and demonstrated sustained commitment to diversity in higher education. ACE is a membership organization that mobilizes the higher education community to shape effective public policy and foster innovative, high-quality practice.





CWU physics graduate awarded NSF Graduate Research Fellowship

Recent CWU Physics graduate and McNair Scholar Nicolas Puentes became one of only four CWU students to ever receive the coveted National Science Foundation's (NSF) Graduate Research Fellowship Program award.

The exclusive funding opportunity for students pursuing a graduate degree in the sciences provides three years of financial support to attend grad school, including a \$37,000 annual stipend for living expenses. Only 10% of applicants nationwide are accepted.

Puentes' main area of interest is emergent phenomena in condensed matter, looking for unique patterns and interactions between atoms in a given compound. Using textbooks and peer-reviewed studies, Puentes developed his own methods and code for operating computational models.



Theatre Arts lecturer wins Gold Medallion Award

CWU Theatre Arts faculty member Jerry Dougherty stole the show at the 2023 Kennedy Center American College Theater Festival (KCACTF) Region 7 conference when he was presented with the Gold Medallion Award.

Dougherty, a senior lecturer and production management specialist, was recognized for his 15 years of service at the annual festival, which attracts hundreds of students and faculty from nine states.

The Gold Medallion is regarded as the most prestigious regional award given by the organization and "one of the greatest honors in theatre education." Recipients are selected for demonstrating a lasting commitment to the values and goals of KCACTF and to excellence in educational theater.



Mathematics professor takes home two national awards

CWU Mathematics Professor Dominic Klyve was honored with two high-profile national awards in the summer of 2022, helping bring well-deserved recognition to the university and his department.

Klyve received the 2022 Mid-Career Faculty Mentoring Award by the Council of Undergraduate Research (CUR) and the Paul R. Halmos-Lester R. Ford Award by the Mathematical Association of America.

Klyve was nominated for the CUR Faculty Mentoring award by Brandy Wieggers, CWU's former director of the Office of Undergraduate Research, for mentoring more than 60 undergraduate researchers over the course of his 13-year career at the university.



Professor selected by State Department as English Language Specialist

CWU Professor of Education Kate Mastruserio Reynolds traveled to Egypt last summer after being selected by the U.S. State Department as an English Language Specialist.

Reynolds spent 23 days in Cairo and Luxor, familiarizing local English teaching supervisors with transformational leadership and mentoring teachers on the new curriculum.

She worked with the Egyptian Ministry of Education and the Al-Azhar Institute to reach English-teaching leaders to create collaborative instructional teams to enact the new curriculum.

Reynolds is a member of the Teaching English to Speakers of Other Languages (TESOL) faculty at CWU, part of the Department of Education, Development, Teaching and Learning.

Women's rugby standout receives national player of the year honor

Central Washington University Athletics celebrated its second national player of the year award of 2023 in June when women's rugby standout Keia Mae Sagapolu was honored with the MA Sorensen Award.

The Tacoma native, who is now playing professionally in England, became the first Wildcat ever to win the award after being nominated for a third consecutive year. Teammate Tessa Hann was also nominated in 2023.

Sagapolu joined CWU women's basketball standout Samantha Bowman, who won the Ron Lenz Division II National Player of the Year Award in March.



CWU students, faculty attend Washington Space Summit at Blue Origin

A group of CWU students and professors were given an exciting opportunity last summer to engage and network with representatives from aerospace companies at the Washington State Space Summit.

The summit, held at Blue Origin headquarters in Kent, brought together more than a dozen major commercial aerospace manufacturers and researchers with presences across the state.

Washington Senator Maria Cantwell and NASA Administrator Bill Nelson also attended the event, which highlighted Washington's status as an emerging leader of the commercial space industry in the United States.

According to a report by the Puget Sound Regional Council, the sector generates approximately \$4.6 billion a year and employs over 13,000 people.



Two CWU human nutrition graduates honored at international conference

Central Washington University's human nutrition program further enhanced its reputation as one of the best in the country last spring, with two of its graduate students earning industry awards for their outstanding work.

Recent human nutrition graduates Leah Dambacher and Marissa Miles were recognized for their research at the American College of Sports Medicine (ACSM) international conference in Denver.

Both graduates have been researching low energy availability (LEA) alongside Professor Kelly Pritchett since 2021, with Dambacher focusing on LEA in female collegiate runners and Miles tracking LEA in female recreational runners.





**Office of the Washington State Auditor
Pat McCarthy**

March 20, 2024

Board of Trustees
Central Washington University
Ellensburg, Washington

Report on Financial Statements

Please find attached our report on the Central Washington University's financial statements.

We are issuing this report for inclusion in the University's annual comprehensive financial report package, which will be issued by the University under the University's own cover.

This report is in addition to our regular financial statement audit report, which will be available on our website and includes the University's basic financial statements.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.



**Office of the Washington State Auditor
Pat McCarthy**

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE
FINANCIAL STATEMENTS**

Board of Trustees
Central Washington University
Ellensburg, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component unit of the Central Washington University as of and for the year then ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of the Central Washington University, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Central Washington University Foundation and Alumni Association (the Foundation), which represent 100 percent of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the reports of the other auditors. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical

responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Matters of Emphasis

As discussed in Note 1, the financial statements of the Central Washington University, an agency of the state of Washington, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the state of Washington that is attributable to the transactions of the University and its aggregate discretely presented component units. They do not purport to, and do not, present fairly the financial position of the state of Washington as of June 30, 2023, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information

The financial statements include summarized prior-year comparative information for the Foundation. Such information does not include all the information required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended June 30, 2022, from which the summarized information was derived. Other auditors have previously audited the Foundation's 2022 basic financial statements, and they expressed an unmodified opinion in their report dated June 30, 2023.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic

financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

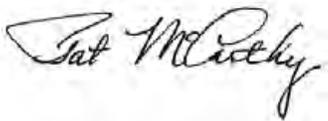
The other information comprises the introduction, initiatives, achievements and highlights and appendix sections but does not include the basic financial statements and our auditor's report thereon. Management is responsible for the other information included in the financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated March 20, 2024, 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.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

March 20, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

Introduction

The following management's Discussion and Analysis (MD&A) provides an overview of the financial position and activities of Central Washington University (the University) for the fiscal year ended June 30, 2023, with comparative 2022 financial information. This discussion provides an objective and easily readable analysis of the University's financial performance for the year. This discussion has been prepared by management and should be read in conjunction with the financial statements and accompanying notes to the financial statements, which follow this section.

Central Washington University (CWU) is one of six state-assisted, four-year institutions of higher education in Washington. A regional comprehensive university, CWU offers baccalaureate and graduate degrees in more than 100 academic programs to over 10,000 students. The University has distinguished itself through quality teaching and academic programs, student-centered orientation, and commitment to research, outreach, and international experiences for faculty and students, and provision of life-long learning opportunities to the citizens of Washington. The University is comprised of the College of Arts and Humanities, College of the Sciences, College of Education and Professional Studies, and College of Business. CWU's instructional faculty, numbering more than 600, compiles an impressive record of teaching, scholarship, and service. The main campus is located in Ellensburg, a community of approximately 20,680 that enjoys one of the finest living environments of the Pacific Northwest. Historic Ellensburg offers the laid-back atmosphere of a small town, but with a variety of things to do and see both indoors and out. Most enjoy downtown Ellensburg with its distinctive shops, bars, restaurants, museums all within walking distance. Others enjoy the outdoor experience of camping, fishing, horseback riding, rafting, hiking, biking, and even golfing. In the shadow of the Cascade Mountains and only minutes from the Wenatchee National Forest, Ellensburg is situated in the Kittitas Valley, an agricultural region 110 miles east of Seattle, the cultural heart of Washington.

The University is governed by a Board of Trustees (BOT) appointed by the Governor with the consent of the Senate. One member is a full-time student of the University. By statute, the BOT has full control of the University and its property of various kinds, except as otherwise provided by law.

Using the financial statements

The financial statements presented in this annual report encompass the University and its discretely presented component unit. The University's financial reports include the Statement of Net Position, the Statement of Revenue, Expenses, and Changes in Net Position, and the Statement of Cash Flows. The Statement of Net Position provides information about the University at a moment in time, at fiscal year-end. The Statement of Revenue, Expenses, and Changes in Net Position and the Statement of Cash Flows provide information about operations and activities over a twelve-month period. Together these statements, along with the notes to the financial statements, provide a comprehensive way to assess the University's overall financial health.

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB), which establishes standards for external financial reporting for public colleges and universities. In accordance with GASB requirements, the financial statements are prepared to utilize the accrual basis of accounting and presented on a consolidated basis to focus on the University as a whole.

The Central Washington University Foundation (the Foundation) is a significant component unit based on the requirements of GASB Statement 39. This report reflects the Foundation as a discretely reported entity for all years reported. The reader will see reformatted CWU comparatives in this report. The MD&A, however, focuses on University activity unless otherwise noted.

Financial Highlights for Fiscal 2023.

- The university received \$6.2 million in institutional Higher Education Emergency Relief Fund (HEERF) funding to help offset the financial impact of COVID-19, primarily in the housing and dining operations to offset lost occupancy, this amount is shown in non-operating revenue in accordance with GAAP.
- Enrollment the University successfully enrolled 10,601 students in the fall quarter of fiscal 2023.
- The University added \$31.3 million in capital assets and construction in progress. This is primarily the new Health Education building, the North Academic Complex and design for the Multicultural Center funded by the State of Washington.

KEY FINANCIAL RESULTS FOR FY 2023 COMPARED TO FY 2022 (in thousands)

	2023	2022
Total operating revenues	\$ 159,487	\$ 175,117
Operating expenses	267,044	266,386
Operating Loss	(107,557)	(91,269)
State appropriations	78,709	71,769
Investment income (loss)	6,096	2,723
Capital appropriations	43,081	28,602
Pell grant revenue	15,783	15,943
Interest on indebtedness	(5,661)	(6,058)
Institutional HEERF funding	6,245	6,015
BABS Subsidy and Foundation Gifts in Kind	642	635
Total net non-operating revenue and capital appropriations	144,895	119,629
Increase (decrease) in net assets	37,338	28,360
Net Position (as restated), beginning of year	398,145	369,785
Net Position, end of year	\$ 435,483	\$ 398,145

Key Financial Results

2023 Notes

- Operating revenues decreased by \$15.6 million or -8.93% from the prior fiscal year.
- Operating expenses increased by \$.7 million or 0.25% over the prior fiscal year.
- State operating appropriations increased by \$6.9 million or 9.67% over the prior fiscal year.
- Pell grant revenue decreased by \$0.16 million or -1.00% over the prior fiscal year.
- Interest on indebtedness increased by \$0.4 million from the prior fiscal year.
- Total net non-operating revenues increased by \$25.3 million or 21.12% from the prior fiscal year

The University receives a state appropriation for operating revenues, which are not usually sufficient to cover all of the University's operating expenses. Non-operating revenues, which include state operating and capital appropriations, Pell grant revenue, investment income and non-operating income net of expense result in a modest increase in the net position or "equity" of the University. The equity is re-invested in the University for facility upgrades, contingency reserves to offset periods of economic instability, and to increase the level of educational excellence and operational efficiencies.

STATEMENT OF NET POSITION

The Statement of Net Position (SNP) presents the financial status of the University at the end of the last two fiscal years and includes all assets, deferred outflows, liabilities, and deferred inflows of the University. This statement represents assets available to continue operations of the institution, how much the institution owes vendors, employees, investors, and debt service obligations. Several nonfinancial factors also contribute to the University's financial health and include student enrollment, number of full-time faculty, student retention, graduation rates, building conditions, and campus safety.

STATEMENT OF NET POSTION (in thousands)

	2023	2022
Assets		
Current assets	\$ 72,630	\$ 66,106
Non-current assets	32,920	64,616
Capital assets, net of depreciation	589,292	557,928
Total assets	694,842	688,650
Deferred outflows of resources	25,579	19,691
Liabilities		
Current liabilities	34,120	31,701
Non-current liabilities	192,179	221,764
Total liabilities	226,299	253,465
Deferred Inflows of Resources	58,638	56,730
Net Position		
Net investment in capital assets	453,714	418,048
Restricted: non-expendable	3,465	3,465
Restricted: expendable	32,392	20,305
Unrestricted	(54,088)	(43,673)
Total net position	\$ 435,483	\$ 398,145

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current assets

The excess of current assets over current liabilities of \$38 million in 2023 reflects the continuing ability of the University to meet its short-term obligations. Current assets are those highly liquid assets that may be converted to cash in less than one year and include cash and cash equivalents, short-term investments, accounts receivable, and inventories. Current assets increased \$6.5 million to \$72.6 million at June 30, 2023 and the most significant fluctuations are discussed below:

Cash and cash equivalents increased by \$3.8 million to \$44.3 million due to favorable short-term investment opportunities compared to long-term.

The increase in receivables of \$2.5 million was primarily due to increased students participating in classes and housing and dining activities.

Non-Current Assets

Non-current assets are not expected to be converted into cash, sold, or exchanged within the normal operating cycle and include: investments, student loan receivables, and investments restricted for capital projects. Capital assets include construction in progress, furniture and equipment, land, buildings, and improvements. As of June 30, 2023, non-current and capital assets, net of depreciation was relatively unchanged at \$622 million as increases due to construction underway were offset by the current year's depreciation.

Non-current investments decreased by \$8.6 million to \$15.7 million in fiscal 2023 as the University focused on favorable short-term investments over longer-term bonds.

Deferred Outflows of Resources

A portion of the deferred gain or loss on refunding outflows number represents costs associated with previous and ongoing debt issuances. This accounting treatment is the result of GASB 63 & 65, which were adopted in 2013. This component of the deferred outflows balance was amortized and decreased by \$.2 million at June 30, 2023 and will continue to be amortized on a straight-line basis through the term of the Replacement Bonds of 2016 (ending in fiscal 2038).

The application of GASB 68 in fiscal 2023 required the recognition and amortization of CWU's proportionate share of the various pension plan liabilities, resulting in the increase of approximately \$7.6 million of deferred outflows related to pension liabilities.

The application of GASB 75 required the recognition and amortization of CWU's proportionate share of the state's Other Post-Employment Benefits (OPEB); this resulted in the reduction of \$1.5 million of deferred outflows related to GASB 75 for a total of \$8.4 million.

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Liabilities

Current liabilities are claims that are due and payable within one year and include: accounts payable, accrued payroll liabilities, unearned revenues, deposits payable, and the current portion of pension liability, OPEB liability and bonds/leases payable.

Noncurrent liabilities represent obligations that become due after one year and include compensated absences, supplemental retirement liabilities, and long-term debt obligations (see Notes 8, 9, 10, 11, 12, and 13).

Current liabilities typically fluctuate from the timing of processing accounts payable and deposits payable, changes in the current year bond/leases payment schedule, and the changes in unearned revenue. Current liabilities at June 30, 2023, were \$34.1 million representing an increase of \$2.4 million from 2022 .

Non-current liabilities decreased \$29.6 million to \$192.2 million at June 30, 2023. This net decrease primarily consists of a decrease in leases & bonds payable net of premium/discount of \$5.1 million, combined with a \$2.7 million dollar increase related to GASB 68, a \$26.8 million dollar decrease related to GASB 75, along with a small decrease in accrued liabilities of \$0.4 million (see Notes 9, 10, 11, and 13).

Deferred Inflows of Resources

The calculations related to GASB 68 and 75 activity resulted in an increase of \$1.9 million in deferred inflows of resources to \$58.6 million to be amortized over the following three to four years.

Net Position

The difference between total assets and deferred outflows and total liabilities and deferred inflows is net position (equity), and it is an indicator of the University's overall financial condition. However, due to the required implementations of GASB, 68,73 and 75 the figure shown is now negative in aggregate. The University believes that the actual financial condition was not affected by these pronouncements and that the Net Position figure is no longer as informative to the reader, in total.

Net position is divided into four major categories.

- Net Investment in Capital Assets: Equity in property, plant, equipment, and infrastructure, net of accumulated depreciation, and outstanding debt obligations related to those capital assets.
- Restricted Non-Expendable: Funds on which a donor or external party has imposed restrictions.
- Restricted Expendable: Resources, which the University is legally or contractually obligated to spend in accordance with restrictions, placed on the funds.
- Unrestricted: All other funds available to the University for general and educational obligations and may be expended for any lawful purpose. In many cases, these funds have been internally designated for specific purposes; including board required emergency reserves, debt policy requirements, facilities maintenance, and other purposes.

As of June 30, 2023, net position totaled \$435.5 million, an increase of \$37.3 million from the balance at June 30, 2022. This increase is mainly due to the \$43.1 million capital appropriation as the income or (loss) before capital appropriations totaled \$(5.7) million.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses, and Changes in Net Position provides information about the operating performance of the University and the effects of non-operating transactions over a one-year period. The statement classifies activities as either “operating” or “non-operating.”

Operating revenues are inflows of funds generated through the provision of goods and services to the University's customers, which include tuition and fees, grant and contract payments, and sales and service revenue generated by student housing, student dining and other University enterprises. Operating expenses are the outflows of funds used to generate operating revenues and in carrying out the University's mission.

Non-operating revenues include state operating and capital appropriations, Pell grants, and investment income. Non-operating expenses are mainly interest on indebtedness. Following is a condensed comparison of the University's revenues, expenses, and changes in net position for the years ended June 30, 2023 and 2022.

SUMMARY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (in thousands)

		2023	2022
Revenues	State appropriations, net	\$ 121,790	\$ 100,371
	Tuition & fees, net	66,813	81,774
	Grants & contracts, net	61,864	61,061
	Auxiliary services	52,839	48,225
	Total Revenue	303,306	291,431
Expenses	Compensation expense	156,424	149,549
	Goods and services	46,420	35,371
	Scholarships and fellowships	24,982	44,229
	All other operating expense	39,218	37,237
	Other income (expense)	1,076	3,315
	Increase (Decrease) in net position	37,338	28,360
	Net Position, beginning of year	398,145	369,785
	Net Position, end of year	\$ 435,483	\$ 398,145

The University maintains a diversified revenue base comprised of tuition and fees, state appropriations, grants and sponsored programs, auxiliary enterprises, and non-operating income.

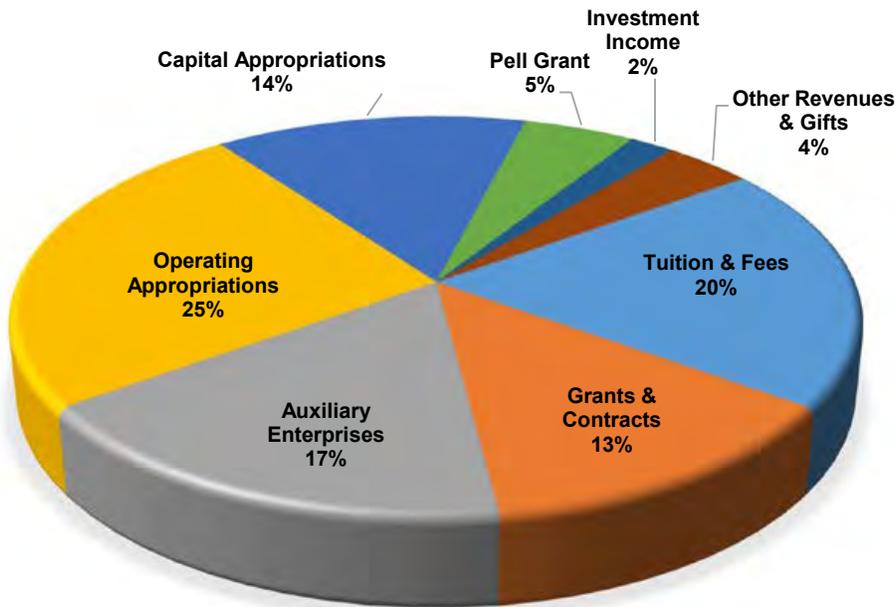
- State appropriations increased \$21.4 million or 17.6%
- Auxiliary services increased \$4.6 million or 8.7%
- Tuition and fees, net decreased \$14.9 million or 22.4% related to the tuition discount calculation.
- Compensation expense increased \$6.9 million or 4.4%
- Scholarship expense decreased \$19.2 million or 77% also related to the tuition discount calculation.
- Goods and Services increased \$11.0 million or 23.8%.

A more detailed breakdown of revenue sources is as follows

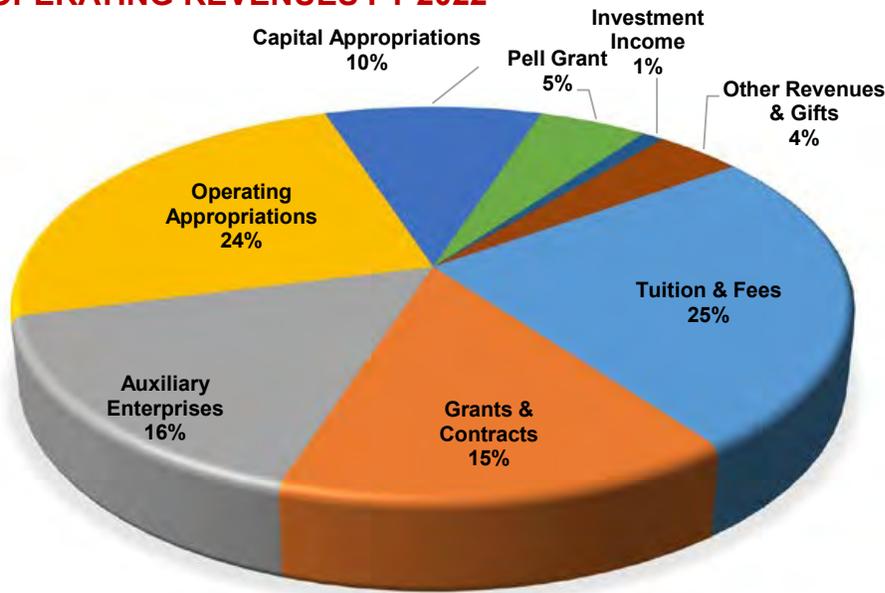
Revenues by Source (in thousands)

	2023		2022	
Net Tuition & Fees	\$61,293	20%	\$75,465	25%
Grants & Contracts	39,806	13%	45,118	15%
Auxiliary Services	52,839	17%	48,225	16%
Operating Appropriations	78,709	25%	71,769	24%
Capital Appropriations	43,081	14%	28,602	10%
Pell Grant	15,783	5%	15,943	5%
Investment Income	6,096	2%	2,723	1%
Other Revenue, HEERF & Gifts	12,407	4%	12,959	4%
Total	\$310,014	100%	\$300,804	100%

OPERATING REVENUES FY 2023



OPERATING REVENUES FY 2022



Net tuition and fees remain the primary source of revenue. Net tuition and fees represent 20 percent of the University's revenue (see Statistics section for additional information on enrollment).

Auxiliary Enterprises generated 17 percent of total revenue representing an increase of \$4.6 million to 52.8 million as of June 30, 2023 due to the rate increase and increase in student participation in programs offered. Auxiliary Enterprises include essential support programs such as residential housing and dining, catering, bookstore, and conference program.

Grants and contracts provide student financial aid and support educational and research opportunities at the University. In fiscal 2023, grants and contracts revenues decreased \$5.3 million from the prior year due to \$8 Million in HEERF funds passed through to students as Grant aid in the prior year compared to only \$3 Million in the current year.

Capital appropriations increased \$14.4 million from the prior year to \$43.1 million. Current capital projects include North Academic Complex, Multicultural Center and the Arts Education Center.

Operating appropriations increased \$6.9 million to \$78.7 million in fiscal 2023 from 2022 driven mainly by continuing state support.

Investment income increased \$3.3 million to \$6.1 million in 2023 due to overall improved market performance.

Operating and Non-Operating Expenses

Operating expenses consist mainly of employee compensation, supplies and material costs, utilities, student scholarships and other aid.

OPERATING AND NON-OPERATING EXPENSES

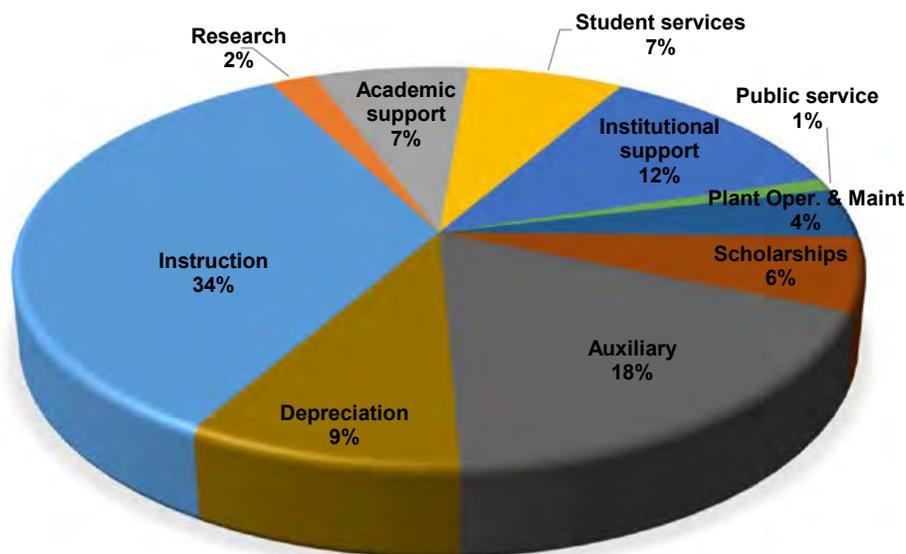
	2023	2022
Operating Expenses	\$267,044	\$266,386
Non-Operating Expenses	5,661	6,059
Total Expense	\$274,728	\$272,445

Non-operating expenses are those that do not relate to the core operation of the University. Examples of non-operating expenses are interest expense and amortization expense. Operating expenses are displayed in the following table by functional area as this is the industry standard. (See Note 16 for a listing of operating expenses by natural classification.)

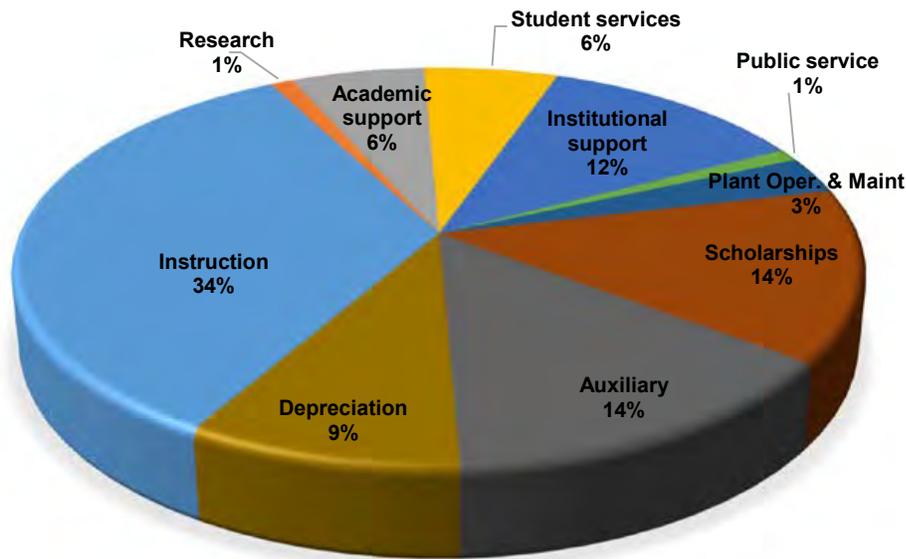
OPERATING EXPENSES BY FUNCTION (in thousands)

	2023		2022	
Instruction	\$91,234	34%	\$90,688	34%
Research	4,787	2%	3,499	1%
Public Service	731	1%	811	1%
Academic Support	19,419	7%	14,916	6%
Student Services	17,648	7%	15,119	6%
Institutional Support	34,889	12%	31,540	12%
Operations and maintenance of plant	9,425	4%	8,150	3%
Scholarships and other student aid	14,754	6%	37,659	14%
Auxiliary	50,097	18%	40,137	14%
Depreciation	24,060	9%	23,867	9%
Total operating expenses	\$267,044	100%	\$266,386	100%

OPERATING AND NON-OPERATING EXPENSES FY 2023



OPERATING AND NON-OPERATING EXPENSES FY 2022



Total operating expenses increased by \$.7 million to \$267.0 million in fiscal 2023, with the greatest proportional increase in Auxiliary expenses, due to cost increases associated with increased on-campus occupancy. Institutional Support expenses increased \$3.36 million to \$34.8 million due to costs associated with increased on-campus student activities. Scholarships decreased by \$22.9 million primarily due to the increased tuition discount calculation. In the prior year the University was allowed a portion of the HEERF funding to award to students. These funds were recorded as scholarships according to the NACUBO reporting format.

Instructional expenses totaled \$91.2 million and comprised 34 percent of all University operating expenses during fiscal 2023 with a three-year average of 35 percent of total operating expense. Instructional expenses are, to some extent, scalable and when enrollment decreases the University employs fewer adjuncts to provide instruction. The University remains committed to its primary mission: In order to build a community of equity and belonging, Central Washington University nurtures culturally sustaining practices that expand access and success to all students.

Auxiliary expenses increased by \$9.7 million to \$50.1 million due to increased personnel costs related to higher participation in Auxiliary services programs provided including housing and dining related to higher on-campus occupancy.

CAPITAL CONSTRUCTION:

Capital construction blends academic pedagogy and sustainable practices into functional facilities serving the student body of CWU by being a model learning community of equity and belonging. Decarbonization is at the center, or our capital project planning was we develop and improve campus infrastructure, utilities, while reducing deferred maintenance with energy saving practices that embody legislative clean building initiatives (see notes to the financial statements).

Major State Funded projects on campus include:

- North Academic Complex: CWU's highest capital budget priority for the upcoming biennium is for the funding to complete the replacement of two highly plagued deferred maintenance buildings and construction

of a new North Academic Complex (known as Humanities & Social Science complex). This project incorporates ground source geothermal as its primary heating & cooling sources as a first step to eliminate our dependency on the carbon emissions associated with natural gas fire boilers. The \$103.8 million construction project modernizes and expands facilities essential for courses designated with the general education curriculum within the Humanities and Social Science program.

- **Multicultural Center:** This project will develop academic spacing that provides undergraduate programming centered on racial, ethnic, and gender identity. As Washington state's most diverse public baccalaureate institution, the Multicultural center will aim to continue to CWU's successful trend of positive impacts of equity from demographic and geographic communities surrounding Ellensburg. CWU was funded \$6 million in fiscal 2023 to begin the design and construction associated with this facility.
- **Arts Education Complex:** The \$300 thousand pre-design funding for this project aims to accommodate the growing student demand for arts education and family consumer science programs by replacing and expanding the derelict construction of the Randall Michaelson facility. As the largest producer of art educators in the state, this project is critical to the expansion of program availability to students and continuing to serve the large percentage of under-represented communities.





Central Washington University
Statement of Net Position
as of June 30, 2023

Assets	2023
Current assets	
Cash and cash equivalents	\$ 44,245,787
Receivables, net	26,162,724
Inventories	2,221,828
Total current assets	72,630,339
Non-current assets	
Endowment Investments	6,228,100
Investments	9,484,648
Student loan receivable, net	1,070,326
Funds with State Treasurer	4,500,627
Non-depreciable assets	78,679,962
Capital assets, net of depreciation	510,612,102
Pension Asset, net	11,635,581
Total non-current assets	622,211,348
Total assets	694,841,687
Deferred Outflows of Resources	
Deferred outflow from bond refunding	2,482,451
Deferred outflows from pension contributions	14,682,783
Deferred outflows from other post employment benefits	8,413,334
Total Deferred Outflows	25,578,568
Liabilities	
Current liabilities	
Accounts payable	4,046,800
Accrued liabilities, current portion	10,805,425
Deposits payable	3,358,253
Unearned revenues	7,212,988
Leases & bonds payable, current portion net of premium/discount	7,306,395
Net Pension Liability, current portion	155,485
Total OPEB Liability, current portion	1,234,962
Total current liabilities	34,120,307
Non-current liabilities	
Accrued liabilities	6,217,511
Leases & bonds payable, long term net of permium/discount	130,753,680
Net Pension Liability	7,511,345
Total OPEB Liability	47,696,935
Total non-current liabilities	192,179,471
Total Liabilities	226,299,779
Deferred Inflows of Resources	
Deferred Inflow related to pensions	12,601,437
Deferred Inflow related to other post employment benefits	46,036,411
Total Deferred Inflows	58,637,848
Net Position	
Net Investment in Capital Assets	453,714,440
Restricted for:	
Nonexpendable:	
Scholarships and Professorships	3,465,054
Expendable:	
Endowment Earnings	3,195,084
Loans	1,508,855
Other	27,687,561
Unrestricted	(54,088,368)
Total net position	\$ 435,482,626

See Accompanying Notes to the Financial Statements

Central Washington University
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2023

Operating Revenues	2022
Student tuition and fees	\$ 106,605,135
less tuition discounts	(45,312,091)
Federal grants and contracts	7,105,383
State and local grants and contracts	27,657,200
Nongovernmental grants and contracts	5,073,116
Sales and services of educational activities and other sources	5,519,539
Auxiliary enterprises sales - Housing and dining	44,864,720
Bookstore, parking, and other auxiliary sales	8,457,754
less auxiliary discounts	(483,960)
Total operating revenue	159,486,795
Operating Expenses	
Instruction	91,234,200
Research	4,787,119
Public service	731,185
Academic support	19,418,876
Student services	17,647,503
Institutional support	34,889,403
Operation and maintenance of plant	9,424,692
Scholarships and other student aid	14,754,274
Auxiliary enterprise expenditures	50,096,805
Depreciation	24,059,767
Total operating expenses	267,043,825
Operating income (loss)	(107,557,030)
Non-operating Revenues (Expenses)	
State appropriations	78,708,999
Pell Grant	15,783,122
Investment income	6,095,627
Institutional HEERF funding	6,245,483
Foundation Gifts in Kind	219,127
Interest on indebtedness	(5,661,018)
BABS Subsidy and other non-operating income net of expenses	422,894
Net non-operating revenues (expenses)	101,814,233
Income or (loss) before capital appropriations	(5,742,796)
Capital appropriations	43,080,634
Increase (Decrease) in net position	37,337,837
Net position, beginning of year	398,144,789
Net position, end of year	\$ 435,482,626

See Accompanying Notes to the Financial Statements

Central Washington University
Statement of Cash Flows
For the Year Ended June 30, 2023

Cash flows from operating activities

Tuition and fees	\$ 64,133,507
Grants and contracts	39,336,321
Payments to vendors	(93,531,089)
Payments to employees for salaries and benefits	(155,014,926)
Auxiliary enterprise charges	52,438,063
Sales and services of educational activities and other sources	6,891,745
Net cash used by operating activities	<u>(85,746,378)</u>

Cash flows from noncapital financing activities

State appropriations	78,608,920
Pell Grants	15,783,122
HEERF Institutional Funding	6,245,483
Net cash provided by noncapital financing activities	<u>100,637,525</u>

Cash flows from investing activities

Purchases of investments	(3,486,015)
Proceeds from sales of investments	12,042,873
Investment Income	6,095,627
Other investment activity	2,409,322
Net cash provided by investing activities	<u>17,061,806</u>

Cash flows from capital and related financing activities

Capital appropriations	43,080,634
Purchases of capital assets	(55,424,189)
Principal paid on capital debt	(10,571,288)
Interest paid on capital debt	(5,661,018)
Other capital activities	422,894
Net cash provided by capital and related financing activities	<u>(28,152,967)</u>

Net increase in cash and cash equivalents	<u>3,799,986</u>
Cash and cash equivalents, beginning of year	40,445,800
Cash and cash equivalents, end of year	<u>\$ 44,245,786</u>

Reconciliation of Operating Loss to Net Cash Used by Operating Activities

Operating loss	<u>\$ (107,557,030)</u>
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation	24,059,767
Changes in assets and liabilities	
Accounts receivable	(2,548,728)
Student loans receivable	58,543
Interest receivable	51,989
Inventories	(127,495)
Accounts payable	(1,245,154)
Accrued expenses	(4,189,308)
Unearned revenue	6,055,892
Student and other deposits	(304,854)
Net cash used by operating activities	<u>\$ (85,746,378)</u>

See Accompanying Notes to the Financial Statement

**CENTRAL WASHINGTON UNIVERSITY FOUNDATION
COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022**

	2023	2022
Assets		
Cash and cash equivalents	\$ 926,945	\$ 1,019,212
Investments	52,266,594	46,904,740
Pledges receivable, net	1,561,717	1,710,978
Other Assets		80,528
Total Assets	54,755,256	49,715,458
Liabilities		
Accounts payable	471,808	421,557
Trust and other liabilities	1,751,984	1,761,295
Note payable	1,057,478	1,180,364
Total Liabilities	3,281,270	3,363,216
Net Assets (Unrestricted)		
Operating	6,484,519	5,399,026
Board-designated	807,576	743,082
Total unrestricted net assets	7,292,095	6,142,108
Net Assets (Restricted)		
Temporarily restricted	-	-
Permanently restricted	44,181,891	40,210,134
Total net assets	51,473,986	46,352,242
Total liabilities and net assets	\$ 54,755,256	\$ 49,715,458

See notes to the financial statements

CENTRAL WASHINGTON UNIVERSITY FOUNDATION
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without donor Restriction	With Donor Restriction	Total	Without donor Restriction	With Donor Restriction	Total
Support and Revenue						
Contributions	\$ 192,787	\$ 3,309,607	\$ 3,502,394	\$ 170,947	\$ 5,436,075	\$ 5,607,022
In-kind contributions	2,100,117	257,959	2,358,076	1,847,277	155,323	2,002,600
Special event revenue	11,754	81,004	92,758	9,601	111,602	121,203
Sponsorships	-	84,466	84,466	-	73,428	73,428
Membership dues	35,537	-	35,537	50,568	-	50,568
Investment Return	1,782,327	4,721,842	6,504,169	(2,022,480)	(5,212,993)	(7,235,473)
Change in value of split interest liabilities		23,335	23,335		(263,846)	(263,846)
Other	20,333	20,888	41,221	50,595	30,129	80,724
Net assets released from restrictions and other transfers	4,527,344	(4,527,344)	-	4,131,134	(4,131,134)	-
Total support and revenue	8,670,199	3,971,757	12,641,956	4,237,642	(3,801,416)	436,226
Expenses						
Program Expenses	5,316,504	-	5,316,504	4,967,977	-	4,967,977
Management and general	946,382	-	946,382	667,672	-	667,672
Fundraising	1,257,326	-	1,257,326	970,962	-	970,962
Total program and administrative expenses	7,520,212	-	7,520,212	6,606,611	-	6,606,611
Total change in net assets	1,149,987	3,971,757	5,121,744	(2,368,969)	(3,801,416)	(6,170,385)
Net Assets, beginning of year	6,142,108	40,210,134	46,352,242	8,511,077	44,011,550	52,522,627
Net Assets, end of year	\$ 7,292,095	\$ 44,181,891	\$ 51,473,986	\$ 6,142,108	\$ 40,210,134	\$ 46,352,242

See notes to the financial statements

**CENTRAL WASHINGTON UNIVERSITY FOUNDATION
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	2023				2022			
	Management				Management			
	Program	and General	Fundraising	Total	Program	and General	Fundraising	Total
Salaries, wages, and benefits	\$ 1,549,660	\$ 345,934	\$ 537,847	\$ 2,433,441	\$ 1,603,244	\$ 399,907	\$ 245,151	\$ 2,248,302
Scholarships and grants	1,690,754	-	-	1,690,754	1,480,573	-	-	1,480,573
Program support	957,612	171,697	154,928	1,284,237	828,104	26,427	169,347	1,023,878
Professional services	69,462	235,173	469,001	773,636	89,618	91,913	481,171	662,702
University capital project support	635,349	-	-	635,349	584,332	-	-	584,332
Supplies	149,128	2,670	2,449	154,247	209,374	4,922	1,278	215,574
Travel	182,980	12,030	71,793	266,803	125,076	3,059	43,261	171,396
Information technology	23,718	113,501	-	137,219	11,913	104,028	-	115,941
Postage and printing	17,165	3,459	20,921	41,545	16,381	6,101	19,352	41,834
Miscellaneous	4,840	6,869	387	12,096	9,826	13,037	11,402	34,265
Interest	-	55,049	-	55,049	-	18,278	-	18,278
Write-off pledges	35,836	-	-	35,836	9,536	-	-	9,536
	\$ 5,316,504	\$ 946,382	\$ 1,257,326	\$ 7,520,212	\$ 4,967,977	\$ 667,672	\$ 970,962	\$ 6,606,611

See notes to the financial statements

**CENTRAL WASHINGTON UNIVERSITY FOUNDATION
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	2023	2022
Cash flows from operating activities		
Cash received from contributions	\$ 2,451,536	\$ 3,322,224
Cash paid for scholarships and programs	(2,974,992)	(2,391,714)
Cash paid to employees	(333,324)	(404,278)
Cash paid to University	-	-
Cash paid to vendors	(1,578,625)	(315,302)
Cash paid for interest	(55,049)	(18,278)
Net dividends and interest received	1,109,218	870,776
Net cash flows from operating activities	(1,381,236)	1,063,428
Cash flows from Investing Activities		
Purchase of investments, net	(6,682,626)	
Proceeds from sale of investments	6,845,969	
Net cash flows from investing activities	163,343	
Cash flows from Financing Activities		
Proceeds from PPP loan	-	-
Payments on line of credit	(122,886)	(255,436)
Contributions received for long-term purposes	1,248,512	1,683,484
Net cash flows from financing activities	1,125,626	1,428,048
Net change in cash and cash equivalents	(92,267)	385,991
Cash and cash equivalents, beginning of year	1,019,212	633,221
Cash and cash equivalents, end of year	\$ 926,945	\$ 1,019,212

See notes to the financial statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Central Washington University (the University) is a comprehensive regional institution of higher education offering baccalaureate and master's degrees. The University is an agency of the State of Washington, governed by a Board of Trustees (BOT) appointed by the governor, and included in the general-purpose financial statements of the State of Washington. As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component unit, the Central Washington University Foundation (the Foundation). The Foundation is an independent, non-profit organization established to raise private funds that support the students, faculty, and programs of the University. Accordingly, the Foundation has been reported as a discrete component unit in the financial statements. Separate financial statements of the foundation may be requested from its administrative office at Barge Hall, room 104, Ellensburg, WA 98926 or on the CWU Foundation website at <https://www.cwu.edu/foundation/accounting>.

Financial Statement Presentation

The financial statements of the University have been prepared in accordance with Generally Accepted Accounting Principles (GAAP).

For financial reporting purposes, the University is considered a special-purpose government, engaged in business-type activities. Accordingly, the University's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when obligations have been incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met. All significant intra-agency transactions have been eliminated.

The financial statements include a management discussion and analysis, a statement of net position, a statement of revenues, expenses, and changes in net position, a statement of cash flows, and notes to the financial statements. The notes to the financial statements focus on University activity in all years presented unless otherwise noted. The format provides a comprehensive, entity-wide perspective of the University's assets, deferred outflows, liabilities, deferred inflows, net position, revenues, expenses, changes in net position, and cash flows. Comparative totals for the year ended June 30, 2021, are presented where appropriate.

The Governmental Accounting Standards Board (GASB) issued Statement 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34 which along with Statement 39, Determining Whether Certain Organizations are Component Units, which amended GASB Statement 14, The Financial Reporting Entity. These statements provided additional guidance for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship with a primary government and to clarify reporting requirements for those organizations.

Under GASB 61 and 39 criteria, the CWU Foundation is an affiliated organization that meets the criteria for discrete component unit presentation. The University and its discretely presented foundation unit are shown as separate statements following the CWU financial statements. The CWU Foundation has a separately audited financial statement. The provisions of GASB Statement 39 were effective for financial statements for periods beginning with fiscal year 2004, while GASB 61 became effective for financial statements beginning with fiscal year 2012.

Cash Equivalents

For purposes of the statement of cash flows, the University considers all highly liquid investments with an original maturity of 6 months or less to be cash equivalents. Funds invested through the State Treasurer's Local Government Investment Pool are considered cash equivalents.

Investments

The University accounts for its investments at fair value in accordance with the relevant GASB statements. Changes in unrealized gains or 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.

Accounts Receivable

Accounts receivable consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also includes amounts due from the federal government, state and

local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts receivables are recorded net of estimated uncollectible amounts. Uncollectible amounts are calculated using a fixed percentage of receivables.

Inventories

Inventories consist primarily of merchandise and consumables held by internal service, valued using the weighted average cost method, and auxiliary service departments valued using the retail cost method.

Non-current Cash and Investments

Cash and investments that are externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other non-current assets, are classified as non-current assets in the statement of net position.

Fair Value of Investments

The University records financial instruments at estimated fair value. Fair value accounting defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The fair value standard describes three levels of inputs that may be used to measure fair value:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statement of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in valuation methodologies used at June 30, 2021 or June 30, 2020.

Where quoted market prices are available in an active market, investments are classified within Level 1 of the Valuation hierarchy. Level 1 investments include exchange-traded equities (mutual funds, stocks, and government bonds). If quoted market prices are not available, then fair market values are estimated by using pricing models, quoted prices of investments include foreign and corporate bonds. In certain cases where Level 1 or Level 2 inputs are not available, investments would be classified within Level 3 of the hierarchy.

Realized and unrealized gains and/or losses on investments are included in the statement of revenue expenses and changes in net position.

Capital Assets

Capital assets (excluding intangible right-to-use lease assets) are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts, net of depreciation. 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. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expenses in the year in which the expenses were incurred.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for building components, 20 to 50 years for infrastructure and land improvements, 5 to 7 years for equipment, 15 years for library books, and 3 to 15 years for intangibles. Inexhaustible resources such as the art collections and the library reserve collections are not depreciated. Donated capital assets are measured at acquisition value not fair market value. (See also Note 7 – Capital Assets).

Deferred Outflows of Resources

Deferred outflows of resources are a consumption of net assets by the government that is applicable to a future reporting period.

Deferred Inflows of Resources

Deferred Inflows of resources are transactions that result in the acquisition of net assets in one period that are applicable to future periods.

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 and amounts received from grant and contract sponsors that have not yet been earned.

Compensated Absences

Employee vacation, compensatory time, and sick leave are accrued at year-end for financial statement purposes. The liability and expense incurred are recorded as accrued liabilities in the statement of net position, and as a component of compensation and benefit expense in the statement of revenues, expenses, and changes in net position.

Non-current Liabilities

Non-current liabilities include: (1) principal amounts of revenue bonds payable, notes payable, and 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 (CWU did not have any of these in the current year).

Net Position

The University's net position is classified as follows:

Net Investment in Capital Assets: This represents the University's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent, debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of Net Investment in Capital Assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvements of those assets or related debt are also included in this component of net position.

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

Restricted – non-expendable: Non-expendable restricted net position consists of endowments 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.

Unrestricted: The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. Unrestricted net position represents resources derived from student tuition and fees, 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 lawful purpose. The auxiliary enterprises are substantially self-supporting activities that provide services for students, faculty, and staff.

Income Taxes

The University, as a political subdivision of the State of Washington, is excluded from federal income taxes under Section 115(a) of the Internal Revenue Code, as amended. The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Classification of Revenues

The University has classified its revenues as either operating or non-operating revenues 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 auxiliary enterprises, net of discounts and allowances; (3) federal, state, local or private 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 gifts and contributions, state appropriations, Pell grants, and investment income.

Discounts and Allowances

Student tuition and fee revenues, and certain other revenues from students, are reported net of discounts and allowances in the statement of revenues, expenses, and changes in net position. Discounts and allowances are the difference between the stated charges for goods and services provided by the University and the amounts that are 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 non-governmental 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, fees, and other student charges, the University has recorded discounts and allowances.

Leases (Lessee)

The University is a lessee for various noncancellable leases of buildings and equipment. For leases with a maximum possible term of 12 months or less at commencement, the University recognizes expense/expenditure based on the provisions of the lease contract. For all other leases (i.e. those that are not short-term), the University recognizes a lease liability, and an intangible right-to-use lease asset.

Measurement of Lease Amounts At lease commencement, the University initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into amortization expense on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the University is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset

Key Estimates and Judgments Key estimates and judgments include how the University determines (1) the discount rate it uses to calculate the present value of the expected lease payments, (2) lease term, and (3) lease payments.

- The University generally uses its estimated incremental borrowing rate as the discount rate for leases unless the rate that the lessor/vendor charges is known. [Include description of how the government determines its incremental borrowing rate]. The University's incremental borrowing rate for leases is based on the rate of interest it would need to pay if it issued general obligation bonds to borrow an amount equal to the lease or subscription payments, respectively, under similar terms at the commencement or remeasurement date.
- The lease term includes the noncancellable period of the lease, plus any additional periods covered by either a University or lessor option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the University and the lessor/vendor have a unilateral option to terminate (or if both parties have to agree to extend) are excluded from the lease.
- Payments are evaluated by the University to determine if they should be included in the measurement of the lease liabilities, including those payments that require a determination of whether they are reasonably certain of being made.

Remeasurement of Lease and Subscription Amounts The University monitors changes in circumstances that may require remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the, the liability is remeasured and a corresponding adjustment is made to the lease asset, respectively.

Presentation in Statement of Net Position Lease assets are reported with capital assets and lease liabilities are reported with long-term debt in the statement of net position.

New Accounting Standards Adopted

In fiscal year 2023, the University adopted an implemented one new accounting standards as follows:

GASB Statement No. 96, "Software Based Information Technology Agreements (SBITA)", It establishes a single model for accounting based on the foundational principle that leases are financings of the right to use an underlying asset and establishes that a SBITA would result in a right-to-use (RTU) asset and a corresponding liability, provides capitalization criteria, and requires new note disclosures.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments are managed under the guidance of the University investment policy. Investments are made using the prudent person standard with primary objectives being: (1) safety of principal; (2) liquidity (enabling the University to meet all operating requirements); and (3) return on investment (the objective of attaining a market rate of return through budgetary and economic cycles).

The University invests or deposits all temporary cash. These investments and time deposits do not result in reductions of the cash balances of the various funds and are considered to be cash equivalents to the funds. These amounts are reported on the SNP as part of cash and cash equivalents. Earnings from pool deposits are allocated to the funds owning the cash in proportion to the ending monthly balance in the investment pool.

As of June 30, 2023, the fair value of cash and investments was \$59,958,535. Of this total, \$44,245,786 is cash and cash equivalents with original maturity dates of less than 90 days and \$15,712,749 is held in investments maturing in more than 6 months. Cash and cash equivalents include: Local Government Investment Pool (LGIP), Bank Demand and Time Deposits, and Petty Cash. Investments maturing in more than 6 months and/or more than a year include: U.S. Government and Non-State Government Securities at fair value, Investments in Equity, and Cash Surrender Value of Life Insurance (Foundation). All investments held by the University are considered level 1 for fair value calculations.

The SNP classification of cash and cash equivalents includes all readily available sources of cash such as petty cash, demand deposits, certificates of deposit, and temporary investments. All deposits of the University are insured by the FDIC up to \$250,000 and by the Washington Public Deposit Protection Commission for amounts over \$250,000.

The components of cash and investments are specified as follows:

Cash and Investments

	Carrying Amount		Carrying Amount	
	June 30, 2023	Fair Value	June 30, 2022	Fair Value
Local government investment pool (LGIP*)	\$ 31,781,643	\$ 31,781,643	\$ 37,435,515	\$ 37,435,515
Money Market Investments	254,357	254,357	140,750	140,750
Treasury Bills	3,273,078	3,272,224		
Bank Demand and Time Deposits	8,901,781	8,901,781	2,818,575	2,818,575
Other	35,781	35,781	50,960	50,960
Total Cash & Cash Equivalents	44,246,640	44,245,786	40,445,800	40,445,800
Investments in money markets	39,793	39,793	87,241	87,241
U.S. government securities	4,638,348	4,426,368	5,286,728	5,209,114
Investments in equity – bonds	7,553,955	7,337,800	14,401,915	14,256,724
Investments in equity – stocks, mutual funds	3,770,365	3,770,365	4,716,527	4,716,527
Investments in real estate	138,423	138,423	0	0
Total Investments	16,140,884	15,712,749	24,492,411	24,269,606
Total Cash and Investments	\$ 60,387,524	\$ 59,958,535	\$ 64,938,211	\$ 64,715,406

*LGIP is reported at amortized cost which approximates fair value

GASB 40, Deposit and Investment Risk Disclosures, became effective for financial statements for periods beginning after June 15, 2004. It primarily amends existing accounting guidance under GASB 3, Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Agreements, and under GASB 28, Accounting and Financial Reporting for Securities Lending Transactions. GASB 40 requires the University to disclose, as needed, any deposits and investments that are exposed to risks that have the potential to result in losses. The statement addresses risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest risk, this statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. Deposit and investment policies related to any risks as identified by using this statement also need to be disclosed.

Deposits

The University's deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

Investments

As of June 30, 2023, the University had the following investments:

Investments

Level 1:	Fair Value FY 2023
Money market *	\$ 39,793
U.S. treasuries*	4,426,368
Bonds*	7,337,800
Stocks, mutual funds*	3,770,365
Investments in real estate	138,423
Total	\$ 15,712,749

*The university has determined that it holds no level 2 or 3 investments.

Participants' balances in the LGIP are not subject to interest rate risk, as the weighted average maturity of the portfolio will not exceed 90 days. Per GASB 40 guidelines, the balances are also not subject to custodial credit risk. The credit (quality) risk of the LGIP is limited as most investments are either obligations of the U.S. government, government-sponsored enterprises, or insured demand deposit accounts and certificates of deposit. Investments or deposits held by the LGIP are all classified as category one risk level investments. They are either insured or held by a third-party custody provider in the LGIP's name.

Custodial credit risk is the risk that in the event of a failure of the counterparty to an investment transaction, the University would not be able to recover the value of the investment or collateral securities. Of the University's total position, no funds are exposed to custodial credit risk because of investments being held by the University's brokerage firm, and by having that brokerage firm also being the counterparty in those particular securities.

*U.S. Bank Private Client Group are a trust company. They manage the investments, but the investments are still in Central Washington University's name. The U.S. Bank Private Client Group is insured under the Security Investor's Protection Corporation. (This protection is to insure in case of loss of assets due to fraud, etc.)

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable, due from other agencies, interest receivable, and related allowance for uncollectible accounts consist of the following:

Note 3 Accounts Receivable

Accounts receivable	June 30, 2023
Student tuition and fees	\$ 5,251,708
Federal, state, and private grants and contracts	9,586,695
State appropriations receivable	915,135
Auxiliary enterprises	4,471,914
Other student fees	2,187,136
Interest and dividends	77,109
Other operating activities	4,825,901
Subtotal	27,315,599
Allowance for doubtful accounts	(1,152,874)
Net accounts receivable	\$ 26,162,724

NOTE 4 – STUDENT LOANS RECEIVABLE

Student loans are comprised of non-current amounts of \$1,070,326 on June 30, 2023, and consists of the following:

Student loans receivable

	June 30, 2023
Federal Perkins student loans	\$1,070,326
Institutional and long term loans	-
Subtotal	1,070,326
Allowance for doubtful accounts	-
Total student loans receivable	\$1,070,326

NOTE 5 – INVENTORIES

Inventories consisted of the following:

INVENTORIES

	June 30, 2023
Enterprise funds	\$ 1,204,790
Internal service funds	1,017,038
Total	\$ 2,221,828

NOTE 6 – FUNDS WITH THE STATE TREASURER

As of June 30, 2023, the balance with the State Treasurer was \$ 4,500,627. This represents the University's share of the net earnings of the Normal School Permanent Fund and the building fee portion of tuition, reduced by expenditures for capital projects, non-capitalized facility improvements and maintenance, debt service incurred over the years (Fund 063), and the balance of licensing revenues held by the State Treasurer (Fund 783). The Normal School Permanent Fund, established under RCW 43.79.160, is a permanent endowment fund that derives its corpus from the sale of state lands and timber. The investing activities are managed by the State Treasurer's Office, while the management of land and timber is administered by the Department of Natural Resources. Interest earned from investments is either reinvested or used exclusively for the benefit of Central Washington University, Eastern Washington University, Western Washington University, and The Evergreen State College.

NOTE 7 – CAPITAL ASSETS

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

Capital Assets

	Balance at June 30, 2022	Adjustments	Additions	Retirements	Balance at June 30, 2023
Non-Depreciable Capital Assets					
Land	\$ 5,884,081	\$ -	\$ 281,257	\$ -	\$ 6,165,338
Artworks	212,993		143,450		356,443
Library resources collectibles	38,122				38,122
Construction in progress	30,157,639		49,952,289	7,989,869	72,120,059
Subtotal	36,292,835		50,376,996	7,989,869	78,679,962
Depreciable Capital Assets					
Buildings	646,085,779		4,104,581		650,190,360
Improvements and infrastructure	133,937,673		4,113,890		138,051,563
Equipment	53,393,252		1,634,019	738,322	54,288,949
Leased Equipment	1,496,424				1,496,424
Building Leased Assets, (See Note 12 for detail)	1,208,641	(343,160)			865,481
Subscription IT Lease	-		2,886,866		2,886,866
Buildings - perpetuity rights	30,792,095				30,792,095
Library resources (depreciable)	26,438,977		74,236	292,080	26,221,133
Subtotal	893,352,841	(343,160)	12,813,592	1,030,402	904,792,871
Total Capital Assets	929,645,676	(343,160)	63,190,588	9,020,271	983,472,833
Less Accumulated Depreciation/Amortization					
Buildings	198,892,626		13,337,787		212,230,413
Improvements and infrastructure	89,447,254		5,146,734		94,593,988
Equipment	43,208,918		3,381,582	722,643	45,867,857
Leased Equipment	1,496,425				1,496,425
Building Lease (See Note 12 for deta	818,351	236,040	236,040	818,351	472,080
Subscription IT Lease	-		721,716		721,716
Amortized perpetuity rights - buildir	14,112,575		771,583		14,884,158
Library resources	23,741,889		464,323	292,080	23,914,132
Total Accumulated Depreciator	371,718,038	236,040	24,059,765	1,833,074	394,180,769
Depreciable Capital Assets, Net of Depreciation	521,634,803	(579,200)	(11,246,173)	(802,672)	510,612,102
Capital Assets, Net of Depreciation	\$557,927,638	\$ (579,200)	\$ 39,130,823	\$ 7,187,197	\$ 589,292,064

NOTE 8 – ACCRUED LEAVE LIABILITIES

Upon termination of employment, employees may receive cash payment for all accumulated vacation and compensatory time. Employees who retire receive 25 percent of the value of their accumulated sick leave credited to a Voluntary Employees' Beneficiary Association (VEBA) account, which can be used for future medical expenses or insurance purposes. The amounts of unpaid vacation and compensatory time accumulated by University employees are accrued as expenses when incurred.

The amounts represent a liability to the University and are recorded and reported accordingly. The sick leave liability is recorded as an actuarial estimate of one-fourth the total balance on the payroll records. The amount of compensated time, vacation, and sick leave paid during fiscal year 2023 totaled \$6,466,431. The accrued compensated time balance as of June 30, 2023, was \$146,914.

NOTE 9 – LONG TERM LIABILITIES

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

Liabilities

	June 30,2022	Additions	Reductions	June 30,2023	Current Portion	Long-term Portion
Accrued liabilities	\$ 15,613,782	\$ 1,409,154	\$ -	\$ 17,022,936	\$ 10,805,425	\$ 6,217,511
State Pension liability	3,078,276	3,793,554	-	6,871,830		6,871,830
OPEB Liability	75,752,312	-	26,820,415	48,931,897	1,234,962	47,696,935
CWU Pension liability	1,780,000	-	985,000	795,000	155,485	639,515
Bond Premium/Discount	6,710,697	-	406,453	6,304,245	406,453	5,897,791
Leases/contracts payable	1,160,000	-	470,000	690,000	125,000	565,000
Right to Use Lease Liabilities	632,233	-	235,331	396,902	237,435	159,467
Software Based IT Agreements	-	2,160,930	-	2,160,930	717,508	1,443,422
Bonds payable	134,057,000	-	5,549,000	128,508,000	5,820,000	122,688,000
Total	\$ 238,784,300	\$ 7,363,638	\$ 34,466,199	\$ 211,681,740	\$ 19,502,268	\$ 192,179,471

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS

State Plan Description

The state of Washington implemented Statement No. 75 of the Governmental Accounting Standards Board (GASB) *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension* for fiscal year 2018 financial reporting. The state, consisting of state agencies and its component units as well as higher education institutions, is considered a single employer based on guidance provided in GASB Statement No.75. The State Health Care Authority (HCA) administers this single employer defined benefit other postemployment benefit (OPEB) plan.

Per RCW 41.05.065, the Public Employees' Benefits Board (PEBB), created within HCA, is authorized to design benefits and determine the terms and conditions of employee and retired employee participation and coverage. PEBB establishes eligibility criteria for both active employees and retirees. Benefits purchased by PEBB include medical, dental, life, and long-term disability.

The relationship between the PEBB OPEB plan and its member employers and their employees and retirees is not formalized in a contract or plan document. Rather, the benefits are provided in accordance with a substantive plan. A substantive plan is one in which the plan terms are understood by the employers and plan members. This understanding is based on communications between HCA, employers and plan members, and the historical pattern of practice with regard to the sharing of benefit costs.

The PEBB OPEB plan is funded on a pay-as-you-go basis with contributions set by the Legislature each biennium as a part of the budget process. The PEBB OPEB plan has no assets and does not issue a publicly available financial report.

The PEBB OPEB plan is available to employees who elect to continue coverage and pay the administratively established premiums at the time they retire under the provisions of the retirement system to which they belong. Retirees' access to the PEBB plan depends on the retirement eligibility of their respective retirement system.

As of June 2023 CWU membership in the PEBB plan consisted of the following:

Plan Participants

Active Employees	1,477
Retirees Receiving Benefits	643
Retirees Not Receiving Benefits	N/A

Per RCW 41.05.022, retirees who are not yet eligible for Medicare benefits may continue participation in the state's non-Medicare community-rated health insurance risk pool on a self-pay basis. Retirees in the non-Medicare risk pool receive an implicit subsidy. The implicit subsidy exists because retired members pay a premium based on the claims experience for active employees and other non-Medicare retirees. The subsidy is valued using the difference between the age-based claims costs and the premium.

Retirees who are enrolled in both Parts A and B of Medicare may participate in the state's Medicare community-rated health insurance risk pool. Medicare retirees receive an explicit subsidy in the form of reduced premiums. Annually, the HCA administrator recommends an amount for the next calendar year's explicit subsidy for inclusion in the Governor's budget. The final amount is approved by the state Legislature. In calendar year 2023, the explicit subsidy was up to \$183 per member per month, and it will remain \$183 per member per month in calendar year 2024.

Presentations and Allocations

Allocation Method

OPEB implicit and explicit subsidies as well as administrative costs are funded by required contributions made by participating employers. State agency contributions are made on behalf of all active, health care eligible employees, regardless of enrollment status. Based on this funding practice, the allocation method used to determine proportionate share is each agency's percentage of the state's total active, health care eligible employee headcount.

The same headcount used in determining proportionate share is also used in determining the transactions subsequent to the measurement date, specifically, the retiree portion of premium payments made by agencies on behalf of active, health care eligible employees between the measurement date of June 30, 2022 and the reporting date of June 30, 2023. The portion of health care premiums attributed to retirees for both explicit and implicit subsidies is determined by using the Fiscal Year 2023 4th Quarter Update in the PEBB Financial Projection Model (PFPM) from the State Health Care Authority.

Total OPEB Liability

As of June 30, 2023, components of the calculation of total OPEB liability determined in accordance with GASB Statement No. 75 for CWU are represented in the following table:

Proportionate Share (%)		1.1518095966%
Service Cost	\$	3,609,680
Interest Cost		1,674,844
Differences Between Expected and Actual Experience		(1,658,641)
Changes in Assumptions		(28,004,843)
Changes of Benefit Terms		-
Benefit Payments		(1,230,513)
Changes in Proportionate Share		(1,210,941)
Other		-
Net Change in Total OPEB Liability		(26,820,414)
Total OPEB Liability - Beginning		75,752,311
Total OPEB Liability - Ending	\$	48,931,897

Deferred Inflows and Deferred Outflows Schedule

As of June 30, 2023, the deferred inflows and deferred outflows of resources for CWU are as follows:

Proportionate Share (%)	1.1518095966%	
Deferred Inflows/Outflows of Resources	Deferred Outflows	Deferred Inflows
Differences Between Expected and Actual Experience	\$ 1,020,052	\$ 1,721,681
Changes in Assumptions	4,010,515	35,473,955
Changes in Benefit Terms	-	-
Transactions subsequent to the measurement date	1,234,962	-
Changes in Proportion	2,147,805	8,840,776
Total Deferred (Inflows)/Outflows	\$ 8,413,334	\$ 46,036,412

Amounts currently reported as deferred inflows and deferred outflows of resources related to OPEB will be recognized as OPEB expense in subsequent years for CWU as follows:

Proportionate Share (%)	1.1518095966%
2024	\$ (6,162,519)
2025	(6,162,519)
2026	(6,162,522)
2027	(4,882,321)
2028	(3,510,247)
Thereafter	\$ (11,977,912)

The change in CWU's proportionate share of OPEB liability and deferred inflows and deferred outflows of resources based on measurement date are represented in the following table:

Proportionate Share (%) 2021	1.1705210087%
Proportionate Share (%) 2022	1.1518095966%
Total OPEB Liability - Ending 2021	\$ 75,752,311
Total OPEB Liability - Beg 2022 (chg in prop)	74,541,370
Total OPEB Liability Change in Proportion	(1,210,941)
Total Deferred (Inflow s)/Outflow s 2021 (chg in prop)	(6,656,906)
Total Deferred (Inflow s)/Outflow s 2022 (chg in prop)	(6,550,492)
Total Deferred Inflow s/Outflow s Change in Proportion	106,414
Total Change in Proportion	\$ (1,317,355)

OPEB Expense

As of June 30, 2023, the components that make up OPEB expense for Central Washington University are as follows:

Proportionate Share (%)		1.1518095966%
Service Cost	\$	3,609,680
Interest Cost		1,674,844
Ammortization of Differences Between Expected and Actual Experience		29,497
Ammortization of Changes in Assumptions		(5,308,917)
Changes of Benefit Terms		-
Amortization of Changes in Proportion		(883,099)
Other Changes to Fiduciary Net Position*		-
Total OPEB Expense	\$	(877,995)

Actuarial Methods and Assumptions

Actuarial Assumptions

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The total OPEB liability was determined by an actuarial valuation as of June 30, 2022 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	2.35%
Projected Salary Changes	3.25% Plus Service-Based Salary Increases
Health Care Trend Rates*	Initial rate ranges from about 2-11%, reaching an ultimate rate of approximately 3.8% in 2080.
Post-retirement Participation Percentage	60.00%
Percentage with Spouse Coverage	45.00%

*For additional detail on the health care trend rates, please see Office of the State Actuary's 2022 OPEB Actuarial Valuation Report.

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates, which vary by member status (eg, active, retiree, or survivor). The Office of the State Actuary (OSA) applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Under "generational" mortality, a member is assumed to receive additional mortality improvements in each future year, throughout their lifetime.

Most demographic actuarial assumptions, including mortality and when members are expected to terminate and retire, were based on the results of the 2013-2018 Demographic Experience Study Report. The post-retirement participation percentage and percentage with spouse coverage, were reviewed in 2017. Economic assumptions, including inflation and salary increases, were based on the results of the 2019 Report on Financial Condition and Economic Experience Study.

Actuarial Methodology

The total OPEB liability was determined using the following actuarial methodologies:

Actuarial Valuation Date	6/30/2022
Actuarial Measurement Date	6/30/2022
Actuarial Cost Method	Entry Age
Amortization Method	The recognition period for the experience and assumption changes is 9 years. This is equal to the average expected remaining service lives of all active and inactive members.
Asset Valuation Method	N/A - No Assets

The actuarial methodology used to determine the transactions subsequent to the measurement date were as follows:

Explicit Medicare Subsidy	Subsidy amounts are calculated at subscriber level, based on the benefit plan and enrollment tier selected, then summed over entire population to include Medicare retirees from the State, Higher Education, K-12, and Political Subdivision groups.
Implicit Medicare Subsidy	Subsidy amounts are calculated using the implicit subsidy rate* (difference between theoretical early retiree rates and composite rates** for non-Medicare risk pool) and the enrollment counts for early retirees.

*early retirees assumed to be 58% more expensive than non-Medicare risk pool as a whole on a per adult unit basis.

**calculated across non-Medicare risk pool for both self-insured and fully-insured plans using the PEBB Financial Projection Model (PFPM).

A retiree subsidy rate of \$67.99 per member per month, used to calculate the transactions subsequent to the measurement date, is equal to the total subsidies received by current retirees (both explicit and implicit), divided by the number of current active subscribers. This amount is then allocated to the agency level based on the active, health care eligible employee headcount of each agency as of the measurement date.

Discount Rate

Since OPEB benefits are funded on a pay-as-you-go basis, the discount rate used to measure the total OPEB liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index, or 2.16 percent as of the June 30, 2021 measurement date and 3.54 percent for the June 30, 2022 measurement date.

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

The following represents the total OPEB liability of CWU, calculated using the discount rate of 3.54 percent, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54 percent) or 1 percentage point higher (4.54 percent) than the current rate:

Discount Rate Sensitivity			
1% Decrease	Current Discount Rate	1% Increase	
\$ 57,336,233	\$ 48,931,897	\$ 42,169,150	

Sensitivity of Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following represents the total OPEB liability of CWU calculated using the health care trend rates range of 2-11% reaching an ultimate range of 3.8%, as well as what the total OPEB liability would be if it were calculated using health care trend rates that are 1 percentage point lower (1-10%) or 1 percentage point higher (3-12%) than the current rate.

Health Care Cost Trend Rate Sensitivity			
Agency	1% Decrease	Current Discount Rate	1% Increase
Central Washington University	\$ 41,429,853	\$ 48,931,897	\$ 58,529,492

Additional Information

Additional actuarial and OPEB plan information is included in the Washington State CAFR on OFM's website: <https://ofm.wa.gov/accounting>. All other actuarial data, assumptions, and methods relied on for the preparation of this report for GASB Statement No. 75 can be found on Office of the State Actuary's website: <http://leg.wa.gov/osa/additionalservices>.

NOTE 11 – BONDS PAYABLE

Bonds payable as of June 30, 2023, consisted of bonds issued by Central Washington University.

BONDS PAYABLE

	Interest Rate %	Original Issue	Balance June 30, 2023
System revenue bonds			
Series 2010 bonds (Barto Hall Series B)	1.50 – 6.95	\$31,950,000	\$23,770,000
Series 2013 bonds (SUB/REC-Sue L.)	3.13 – 5.00	53,415,000	34,795,000
Series 2016 bonds (Wendell Hill Hall Refunding)	2.50 - 5.00	29,175,000	23,945,000
Series 2018 bonds (Dugmore Hall)	2.50 - 5.00	45,425,000	41,945,000
Series 2022 bonds (Kamola Hall Refunding)	2.00 – 3.80	7,665,000	4,053,000
Total bonds payable		\$167,630,000	\$128,508,000
Bond premium			6,304,244
Total		\$167,630,000	\$134,812,244

Maturity Information

The scheduled maturities of the general obligation and system revenue bonds are as follows:

DEBT SERVICE REQUIREMENTS

Revenue and Facilities Bonds				
Fiscal Year	Principal	Interest	Totals	
2024	\$ 5,820,000	\$ 5,475,566	\$ 11,295,567	
2025	6,071,000	5,224,373	11,295,373	
2026	7,065,000	4,962,040	12,027,041	
2027	7,359,000	4,628,508	11,987,508	
2028	7,682,000	4,280,531	11,962,531	
2029-2033	40,366,000	16,545,805	56,911,806	
2034-2038	28,360,000	9,101,890	37,461,890	
2039-2043	12,575,000	4,082,835	16,657,835	
2044-2048	10,785,000	1,813,200	12,598,200	
2049	2,425,000	97,000	2,522,000	
Totals	\$ 128,508,000	\$ 56,211,748	\$184,719,751	

Debt Service Requirements

The Central Washington University System Bonds Series 2010 B, taxable Build America Bonds issued in the original amount of \$31,950,000 maturing in varying annual amounts to May 1, 2040. Principal and interest on these revenue bonds are collateralized by a pledge of revenues. The Series 2010 B bonds were issued under the American Recovery Act of 2008 Build America Bond Program as taxable bonds. Under this program the university expects to receive a subsidy from the United States federal government of 35% of interest paid through maturity. The subsidy received during Fiscal 2023 was \$471,972. This amount is shown as non-operating revenue on the Statement of Revenue, Expenses and Changes in Net Position. The series was

internally refinanced for a 5-year term, beginning in Fiscal Year 2022. No external principal payments will be made until May 1st, 2026. Internal payments will be made from the system to The University. An internal principal payment of \$645,000 was required and paid during Fiscal 2023. An internal principal payment of \$665,000 is scheduled for May 1, 2024.

Central Washington University System Bonds, Series 2013, issued in the original amount of \$53,415,000 and mature in varying annual amounts to May 1, 2034. Principal and interest on these revenue bonds are collateralized by a pledge of revenues. A principal payment of \$2,495,000 was required and paid during Fiscal 2023. A principal payment of \$2,620,000 is scheduled for May 1, 2024.

Central Washington University System Bonds, Series 2016, issued in the original amount of \$29,175,000 and mature in varying annual amounts to May 1, 2038. Principal and interest on these revenue bonds are collateralized by a pledge of revenues. A principal payment of \$1,140,000 was required and paid during Fiscal 2023. A principal payment of \$1,195,000 is scheduled for May 1, 2024.

Central Washington University System Bonds, Series 2018, issued in the original amount of \$45,425,000 and mature in varying annual amounts to May 1, 2049. Principal and interest on these revenue bonds are collateralized by a pledge of revenues. A principal payment of \$1,510,000 was required and paid during Fiscal 2023. A principal payment of \$1,585,000 is scheduled for May 1, 2024.

Central Washington University System Bonds, Series 2022, issued in the original amount of \$4,457,000 and mature in varying annual amounts to May 1, 2032. A principal payment of \$404,000 was required and paid during Fiscal 2023. A principal payment of \$420,000 is scheduled for May 1, 2024.

NOTE 12 – LEASES/CONTRACTS PAYABLE

Certificates of Participation

In August 2002, the University entered a 20-year lease/purchase agreement for \$5,145,000 with the Office of the State Treasurer to pay for a portion of an instructional building at Edmonds Community College to house the CWU-Lynnwood Center. Average annual payments are \$384,000 to be paid from tuition revenues for 20 years. Under the terms of the project contract, Edmonds Community College receives ownership of the building and Central Washington University has a tenant right in perpetuity.

On March 29, 2012 the State of Washington in conjunction with the Certificate of Participation (COP) program issued \$3,345,000 in Washington General Obligation Bonds with an average interest rate of 2.28% on behalf of the University to defease \$3,350,000 in General Obligation Bonds with an average interest rate of 4.37% issued on August 15, 2002.

On March 19, 2013 the State of Washington in conjunction with the Certificate of Participation (COP) program issued \$1,660,000 in Washington General Obligation Bonds with an average interest rate of 2.53% on behalf of the University to fund the Central Washington University Boiler Stack Heat Recovery Project. Anticipated savings through reduced energy costs once the project is completed will be the source of funding to make the COP payments.

Leases/Contracts Payable for the year ended June 30, 2023:

Contract #	Contract Name	% Rate	Original Issue	Balance June 30, 2023
S375-11-1	Edmonds COP 2012	2.28	\$3,345,000	\$0
S375-11-2	Heat Recovery Project COP 2013	2.53	1,660,000	690,000
			\$5,005,000	\$690,000

The University's lease and contracts payable payments for the next five years and thereafter are as follows:

Fiscal Year	Principle	Interest	Total
2024	\$125,000	\$28,600	\$153,600
2025	130,000	22,350	152,350
2026	140,000	15,850	155,850
2027	145,000	8,850	153,850
2028	150,000	4,500	154,500
Total	\$690,000	\$80,150	\$770,150

Intangible Right to Use Lease

As discussed in note one, The University is a lessee for various noncancellable leases of buildings and equipment. A summary of lease asset activity during the year ended June 30, 2023 is as follows:

Right-To-Use Lease Assets	Balance 7/1/2022	Adjustments	Additions	Deductions	Balance 6/30/2023
Buildings	\$ 1,208,641	\$ (343,160)			\$ 865,481
Subscription IT Lease	-	-	2,886,866	-	2,886,866
Total lease asset	1,208,641	(343,160)	2,886,866	-	3,752,347
Less accumulated amortization:					
Buildings	818,351.00	(582,311)	\$ 236,040		472,080
Subscription IT Lease	-	-	\$ 721,716		721,716
Total accumulated amortizat	818,351	(582,311)	957,756	-	1,193,796
Total lease assets, net	\$ 390,290	\$ 239,151	\$ 1,929,110	\$ -	\$ 2,558,551

NOTE 13 – PENSION LIABILITY

During fiscal year 2015, the University adopted GASB Statement No.68—Accounting and Financial Reporting for Pensions. These changes in accounting policies for pensions are designed to improve transparency regarding pension obligations by requiring recognition of a liability equal to the net pension liability for the University's proportionate share of the Department of Retirement Systems (DRS) defined benefit plans. This standard requires recognition of pension expense using a systematic method, designed to match the cost of pension benefits with service periods for eligible employees, and to assist in paying for PERS1 and TRS1 future retiree costs. Because this was to be retroactively implemented, CWU also restated its beginning 2015 fund balance. The CWU financial data is now presented in accordance with the new accounting standards described above.

During fiscal year 2021, the Central Washington University Retirement Plan, which was previously not held in a qualifying trust, was moved to a qualifying trust at the State of Washington, and therefore is now incorporated into the GASB 68 Note.

Central Washington University Retirement Benefits

Substantially all full-time classified employees at CWU participate in the DRS retirement plans. CWU has a financial responsibility for pension benefits associated with its defined benefit plans, and the University's financial statements for 2023 have been updated to include the University's proportionate share of the State's pension liability. Pension liability is allocated to multiple funds, based on their proportionate share of covered compensation for the fiscal year.

All state employers are required to contribute at a rate set by the Washington State Legislature. Employer contribution rates were 9.53 percent for PERS1, 9.53 percent for PERS2/3, 9.70% percent for TRS and 8.73 percent for LEOFF2 in fiscal 2023.

Pension Plan Tables & Discussion

The following table represents the University's aggregate pension amounts for all plans subject to the requirements of the GASB Statement 68, Accounting and Financial Reporting for Pensions, for the years 2022-2023.

AGGREGATE PENSION AMOUNTS - TOTAL OF ALL PLANS - GASB 68

	Beginning Balance	FY 2023	Total
Pension Liabilities	\$ 4,858,275	\$ 2,808,554	\$ 7,666,829
Pension Assets	32,211,100	(20,575,519)	11,635,581
Deferred outflows of resources	7,032,694	7,650,089	14,682,783
Deferred inflows of resources	33,763,691	(21,162,254)	12,601,437
Total	\$ 77,865,760	\$ (31,279,129)	\$ 46,586,631

Pension Expense	\$ (304,381)
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State Sponsored Pension Plans

Substantially all CWU's full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov or obtained by writing to:

Department of Retirement Systems Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

PERS PLAN 1

PERS Plan 1 provides retirement, disability, and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The PERS Plan 1 member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates for fiscal 2023 were as follows:

PERS PLAN 1

Actual contribution rates: Employer Employee

July 01, 2022 - June 30, 2023	9.53%	6.00%
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CWU's actual contributions to the plan were \$1,440,002 for the year ended June 30, 2023.

PERS PLAN 2/3

PERS Plan 2/3 provides retirement, disability, and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and one percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return- to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The PERS Plan 2/3 employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates for fiscal 2023 were as follows:

PERS PLAN 2/3

Actual contribution rates: Employer Employee

PERS Plan 2 July 1, 2022-June 30, 2023	9.53%	6.36%
PERS Plan 3 July 1, 2022-June 30, 2023	9.53%	Varies

CWU's actual contributions to the plan were \$ 2,353,802 for the year ended June 30, 2023.

Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. Central Washington University participates solely in LEOFF Plan 2.

LEOFF Plan 2 provides retirement, disability, and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

Contributions

The LEOFF Plan 2 employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent.

Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contribution rates for fiscal 2023 were as follows:

LEOFF PLAN 2

Actual contribution rates:	Employer	Employee
July 01, 2022 - June 30, 2023	8.73%	8.53%

Central Washington University's actual contributions to the plan were \$ 103,904 for the year ended June 30, 2023.

Teachers' Retirement System

Plan Description. The Legislature established the Teachers' Retirement System (TRS) in 1938. TRS retirement benefit provisions are established in chapters 41.32 and 41.34 RCW and may be amended only by the Legislature. Eligibility for membership requires service as a certificated public school employee working in an instructional, administrative, or supervisory capacity. TRS is comprised principally of non-state agency employees.

TRS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered a single defined benefit plan for reporting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

TRS members who joined the system by September 30, 1977, are a Plan 1 member. Plan 1 is closed to new entrants. Those who joined on or after October 1, 1977, and by June 30, 1996, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. TRS members joining the system on or after July 1, 1996 are members of TRS Plan 3. Legislation passed in 2007 gives TRS members hired on or after July 1, 2007, 90 days to make an irrevocable choice to become a member of TRS Plan 2 or Plan 3. At the end of 90 days, any member who has not made a choice becomes a member of Plan 3.

Contributions

The TRS Plan 1 member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is

currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The TRS Plan 1 required contribution rates for fiscal 2023 were as follows:

TRS PLAN 1

Actual contribution rates:	Employer	Employee
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July 01, 2022 - June 30, 2023	9.70%	6.00%
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CWU's actual contributions to the plan were \$259,498 for the year ended June 30, 2023.

Benefits Provided. TRS plans provide retirement, disability, and death benefits to eligible members.

TRS Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. The monthly benefit is 2 percent of the average final compensation (AFC) for each year of service credit, up to a maximum of 60 percent. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two.

TRS Plan 1 members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

TRS Plan 2 retirement benefits are vested after completing five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. A COLA is granted based on the Consumer Price Index, capped at 3 percent annually. TRS Plan 2 members have the option to retire early with reduced benefits. The AFC is the average of the member's 60 highest paid consecutive months.

The defined benefit portion of TRS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. Plan 3 provides the same COLA as Plan 2. The AFC is the average of the member's 60 highest paid consecutive months.

TRS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44; or after five service credit years earned in TRS Plan 2 by July 1, 1996. Plan 3 members are immediately vested in the defined contribution portion of their plan. TRS Plan 3 members have the option to retire early with reduced benefits.

TRS members meeting specific eligibility requirements, have options available to enhance their retirement benefits. Some of these options are available to their survivors, with reduced benefits.

From January 1, 2007 through December 31, 2007, judicial members of TRS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) program enacted in 2006. Justices and judges in TRS Plan 1 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit is capped at 75 percent of AFC.

Newly elected or appointed justices and judges who chose to become TRS members on or after January 1, 2007, were required to participate in the JBM Program.

Contributions

TRS defined benefit retirement benefits are financed from a combination of investment earnings and employer and employee contributions.

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. The methods used to determine the contribution requirements are established under state statute.

Members in TRS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon upon separation from TRS-covered employment.

As a result of the implementation of the Judicial Benefit Multiplier (JBM) program in January 2007, a second tier of employee rates was developed to fund the increased retirement benefits of those judges who participate in the program.

Actual Contributions

The TRS Plan 2/3 employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the TRS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The TRS Plan 2/3 required contribution rates for fiscal 2022 were as follows:

TRS PLAN 2/3

Actual contribution rates:	Employer	Employee
TERS Plan 2 July 1, 2022-June 30, 2023	9.70%	8.06%
TERS Plan 3 July 1, 2022-June 30, 2023	9.70%	Varies

CWU's actual contributions to the plan were \$ 314,539 for the year ended June 30, 2023.

Central Washington University Retirement Plan

Plan Description

The Central Washington University Retirement Plan (CWURP), a single-employer 403(b) defined contribution plan administered by the University. To qualify as an eligible participant, an employee must be employed at least fifty percent of the normal full-time work load as a CWU faculty, civil service exempt staff, or other salaried employee. Contributions to the plan are invested in annuity contracts or mutual fund accounts in which employees have, at all times, a 100% vested interest in their accumulations. Benefits from fund sponsors are available upon separation or retirement at the member's option.

The number of participants in the CWURP as of June 30, 2023 was 570.

Funding Policy

Current mandatory contribution rates are set at 5% for employees under the age of 35, 7.5% for employees between the ages of 35 – 49, and 10% for employees 50 and above. Contribution rates are established and amendable by Central Washington University's board of trustees per RCW 28.B.14.400. Employer contributions for the year ended June 30, 2023 were \$178,000.

Central Washington University Supplemental Retirement Plan

The Central Washington University Supplemental Retirement Plan (CWUSR), a single employer 401(a) defined-benefit retirement plan administered by the university operates in tandem with the 403(b) plan to supplement the expected defined-contribution retirement savings accumulated under the CWURP. The CWUSR was closed to new participants effective September 1, 1998. The plan has a supplemental payment component which guarantees a minimum retirement benefit to eligible retirees based upon a one-time calculation at the employee's retirement date. The University makes direct payments to qualifying retirees when the retirement benefits provided by the fund sponsors do not meet the benefit goals, assets are accumulated in trusts or equivalent arrangements. To qualify as an eligible participant, an employee must be employed at least fifty percent of the normal full-time work load as a CWU faculty, civil service exempt staff, or other salaried employee.

As of June 30, 2020, there were approximately 81 active members who could earn SRP benefit in the future, and 64 retirees and beneficiaries receiving lifetime benefits from the plan. Participants of CWUSR are considered vested once all of the following criteria are met: the participant has reached the age of 62 while employed at CWU or retires due to health and the participant has ten or more years of service. The monthly benefit amount due to the participant is one-twelfth of 2% of his or her average annual salary multiplied by the number of service years. If the participant retires early, the monthly benefit is reduced by .5% times the number of calendar months between the date of retirement and the normal retirement age. Benefit payments made during the fiscal year ending June 30, 2023 were \$493,000.

Total Pension Liability (TPL)

The total pension liability is based on an actuarial valuation performed as of June 30, 2020 using the entry age actuarial cost method. Any assets considered to offset the total pension liability are held in an irrevocable trust. As such, the total pension liability is shown on the balance sheet under net pension liability reported for GASB 68 with a measurement date of June 30, 2023. The CWUSRP pension expense for the fiscal year ending June 30, 2023 was \$105,000.

Schedule of Changes in Net Pension Liability

Service cost	\$	24,000
Interest		373,000
Changes in Benefit Terms		-
Differences between expected and actual experience		(181,000)
Changes in assumptions ¹		(273,000)
Benefit payments		(493,000)
Other		-
Net Change in Total Pension Liability		(550,000)
Total Pension Liability - Beginning		5,545,000
Total Pension Liability - Ending (a)	\$	4,995,000

Plan Fiduciary Net Position

Contributions - Employer	\$	178,000
Contributions - Member		-
Net investment Income		271,000
Benefit payments		-
Administrative Expense		-
Other		-
Net Change in Plan Fiduciary Net Position		449,000
Plan Fiduciary Net Position - Beginning		3,751,000
Plan Fiduciary Net Position - Ending (b)		4,200,000

Plan's Net Pension Liability (Asset) - Ending (a) - (b)	\$	795,000
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TPL Interest Rate Sensitivity Discount Rate	\$	795,000
TPL Interest Rate Sensitivity 1% Decrease		1,178,000
TPL Interest Rate Sensitivity 1% Increase	\$	459,000

Deferred Inflows And Deferred Outflows

At June 30, 2023, the CWUSRP plan reported a deferred inflow of resources from the following sources.

DEFERRED INFLOWS/OUTFLOWS OF RESOURCES

	Deferred Outflows		Deferred Inflows	
Differences between expected and actual experience	\$	-	\$	(52,000)
Changes in assumptions		-		(78,000)
Differences between Projected and Actual Earnings on Plan Investments	\$	159,000	\$	(283,000)
Total		159,000		(413,000)

Amortization of Deferred Inflows and Deferred Outflows

The amount of future transactions are summarized in the table below.

Future Transactions	
2024	\$ (218,000)
2025	(88,000)
2026	53,000
2027	(1,000)
2028	-
Thereafter	-
Total	<u>\$ (254,000)</u>

Actuarial Assumptions

The Total Pension liability for the CWUSRP plan was calculated on a valuation date of June 30, 2020 and projected the TPL to the measurement date of June 30, 2023, reflecting the expected service cost, assumed interest, and actual benefit payments. Two primary changes were reflected with the new measurement date. First, the discount rate decreased from 7.40 to 7.00 percent, consistent with the state actuary's long-term rate of return assumption for assets invested in the Commingled Trust Fund and the results of the crossover calculation. Second, we reflected Fiscal Year 2022 returns for the TIAA and CREF investments, which are used to determine a member's assumed income. Those returns were 3.98 percent for TIAA and (16.99) percent for CREF.

Other than the changes noted above, the June 30, 2023, results rely on the same census data, assumptions, and methods detailed in our 2021 SRP AVR. We believe the data, assumptions, and methods used are reasonable and appropriate for the primary purpose stated above and are in conformity with generally accepted actuarial principles and standards of practice as of the date of this letter. The use of another set of assumptions and methods, however, could also be reasonable and could produce materially different results. Actual results may vary from our expectations.

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2022 with a valuation date of June 30, 2021. The actuarial assumptions used in the valuation are summarized in the Actuarial Section of DRS' *Annual Comprehensive Financial Report* located on the DRS website. The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the 2013-2018 Demographic Experience Study Report and the 2021 Economic Experience Study. Additional assumptions for subsequent events and law changes are current as of the 2021 Actuarial Valuation Report. <https://leg.wa.gov/osa/> The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2022. Plan liabilities were rolled forward from June 30, 2021, to June 30, 2022, reflecting each plan's normal cost (using the entry age cost method), assumed interest and actual benefit payments.

- Inflation: 2.75% total economic inflation; 3.25% salary inflation
- Salary Increases: In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- Investment rate of return: 7.00%

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates, which vary by member status (e.g., active, retiree, or survivor), as our base table. OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Under "generational" mortality, a member is assumed to receive additional mortality improvements in each future year, throughout their lifetime.

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for all plans included in this publication. To determine that rate, an asset sufficiency test was completed to test whether each pension

plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on the assumptions described in OSA's certification letter within the DRS ACFR, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.00% was used to determine the total liability.

Sensitivity of NPL

The table below presents the net pension liability of employers, calculated using the discount rate of 7.00% as well as what employers' net pension liability would be if it were calculated using a discount rate 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate.

	CWU Allocation %	1% Decrease 6.0%	Current Rate 7.0 %	1% Increase 8.0%
PERS1	0.217229%	\$ 8,080,649	\$ 6,048,453	\$ 4,274,821
PERS 2/3	0.276865%	12,092,287	(10,268,317)	(28,638,965)
TRS 1	0.043294%	1,118,045	823,378	565,802
TRS 2/3	0.042863%	1,528,121	(84,348)	(1,395,262)
LEOFF 2	0.047206%	\$ (59,077)	\$ (1,282,917)	\$ (2,284,524)

Long-Term Expected Rate of Return

OSA selected a 7.00% long-term expected rate of return on pension plan investments using a building-block method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns the WSIB provided.

The CMAs contain three pieces of information for each class of assets WSIB currently invests in:

- Expected annual return.
- Standard deviation of the annual return.
- Correlations between the annual returns of each asset class with every other asset class.

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns at various future times.

Estimated Rates of Return by Asset Class

The table below summarizes the best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022.

The inflation component used to create the table is 2.20% and represents the WSIB's most recent long-term estimate of broad economic inflation.

Estimated Rates of Return by Asset Class

Asset Class	Target Allocation	% Long - Term Expected Real Rate of Return Arithmetic
Fixed Income	20.00%	1.50%
Tangible Assets	7.00%	4.70%
Real Estate	18.00%	5.40%
Global Equity	32.00%	5.90%
Private Equity	23.00%	8.90%

Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued Annual Comprehensive Financial Report located on the DRS employer-resource GASB webpage, www.drs.wa.gov

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

At June 30, 2023, Central Washington University reported a total pension liability of \$7,666,831 and an asset of \$11,635,581 for its proportionate share of the net pension balances as follows:

PENSION PLAN ASSETS AND LIABILITIES

Plan	Liability	Asset
PERS1	\$ 6,048,453	\$ -
PERS 2/3		(10,268,317)
TRS 1	823,378	
TRS 2/3		(84,348)
CWUSR	795,000	
LEOFF 2		(1,282,917)
	<u>\$ 7,666,831</u>	<u>\$ (11,635,581)</u>

SCHEDULE OF PROPORTIONATE SHARE-LEOFF 2

	Liability (or Asset)
LEOFF 2 - employer's proportionate share	\$ (1,282,917)
LEOFF 2 - State's proportionate share of the net pension liability/(asset) associated with the employer	(831,045)
Total	\$ (2,113,962)

At June 30, 2023, the University's proportionate share of the collective net pension liabilities was as follows:

Plan	Proportionate Share 06/30/2021	Proportionate Share 06/30/2022	Change In Proportion
PERS1	0.223962%	0.217229%	-0.006733%
TRS 1	0.048890%	0.043294%	-0.005596%

At June 30, 2023, the University's proportionate share of the collective net pension assets was as follows:

Plan	Proportionate Share 06/30/2021	Proportionate Share 06/30/2022	Change In Proportion
PERS 2/3	0.281328%	0.276865%	-0.004463%
TRS 2/3	0.048231%	0.042863%	-0.005368%
LEOFF 2	0.049248%	0.047206%	-0.002042%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the Schedules of Employer and Non-employer Allocations for all plans except LEOFF 1, a plan the University does not utilize.

In fiscal year 2022, the State of Washington contributed 39.21 percent of LEOFF 2 employer contributions pursuant to RCW 41.27.726 and all other employers contributed the remaining 60.79 percent of employer contributions.

The collective net pension liability (asset) was measured as of June 30, 2022, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2022, with update procedures used to roll forward the total pension liability to the measurement date

Pension Expense

For the year ended June 30, 2023, Central Washington University recognized a net pension expense as follows:

Plan	Pension Expense
PERS1	\$ 2,595,462
PERS 2/3	(3,521,725)
TRS 1	369,162
TRS 2/3	(11,690)
LEOFF 2	159,410
CWUSRP	105,000
Total	\$ (304,381)

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2023, Central Washington University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Net difference between projected and actual investment earnings on pension plan investments		\$ (1,002,406)
Changes of assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	\$ 1,440,002	
Total	\$ 1,440,002	\$ (1,002,406)

PERS 2/3

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,544,249	\$ (232,448)
Net difference between projected and actual investment earnings on pension plan investments	-	(7,591,442)
Changes of assumptions	5,723,169	(1,498,530)
Changes in proportion and differences between contributions and proportionate share of contributions	112,099	(656,610)
Contributions subsequent to the measurement date	2,353,802	-
Total	\$ 10,733,319	\$ (9,979,031)

LEOFF 2

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 304,842	\$ (11,903)
Net difference between projected and actual investment earnings on pension plan investments	-	(429,570)
Changes of assumptions	324,999	(111,707)
Changes in proportion and differences between contributions and proportionate share of contributions	55,157	-
Contributions subsequent to the measurement date	103,904	-
Total	\$ 788,902	\$ (553,180)

TRS 1

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Net difference between projected and actual investment earnings on pension plan investments		\$ (147,539)
Changes of assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	\$259,498	
Total	\$259,498	\$(147,539)

TRS 2/3

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 420,274	\$ (8,476)
Net difference between projected and actual investment earnings on pension plan investments		(446,124)
Changes of assumptions	475,185	(51,681)
Changes in proportion and differences between contributions and proportionate share of contributions	92,064	
Contributions subsequent to the measurement date	\$ 314,539	
Total	\$ 1,302,063	\$ (506,281)

Deferred outflows of resources related to pensions resulting from the University's contributions subsequent to the measurement date have been recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

TOTALS (EXCLUDING CONTRIBUTIONS SUBSEQUENT TO THE MEASUREMENT DATE)

	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2
	Yearly	Yearly	Yearly	Yearly	Yearly
	Amortization	Amortization	Amortization	Amortization	Amortization
2023	\$ (424,198)	\$ (2,462,728)	\$ (62,553)	\$ (88,033)	\$ (128,871)
2024	(385,281)	(2,223,861)	(56,873)	(69,233)	(110,904)
2025	(483,323)	(2,636,101)	(71,529)	(108,707)	(149,595)
2026	290,396	3,372,238	43,416	247,652	191,337
2027	-	1,140,845	-	101,978	58,919
Thereafter	-	1,210,092	-	305,523	270,931
Total Net Deferred (Inflows)/Outflows	\$ (1,002,406)	\$ (1,599,515)	\$ (147,539)	\$ 389,179	\$ 131,818

NOTE 14 - DEFERRED COMPENSATION

The University, through the State of Washington, offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. Under the plan, eligible employees can elect to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable financial emergency. The university does not contribute to this plan, this is an employee only contribution plan.

NOTE 15 - RELATED PARTY TRANSACTIONS

The Central Washington University Foundation (the Foundation) is organized to operate exclusively for the purposes of encouraging, promoting, and supporting educational programs and scholarly pursuits at or in conjunction with Central Washington University. The Foundation provided \$5,420,096 in scholarships and program support to the University during the fiscal year ending June 30, 2023. Detailed financial information for the foundation may be obtained from its administrative office.

Summary financial information of the Central Washington University Foundation as of June 30, 2023:

CWU FOUNDATION FINANCIAL INFORMATION for June 30, 2023

	Without Donor	With Donor	Total
	Restrictions	Restrictions	
Income	\$ 8,670,199	\$ 3,971,757	\$ 12,641,956
Expense	7,520,212	-	7,520,212
Change in net position	1,149,987	3,971,757	5,121,744
Net position at beginning of year	6,142,108	40,210,134	46,352,242
Net position at end of year	\$ 7,292,095	\$ 44,181,891	\$ 51,473,986

NOTE 16 – OPERATING EXPENSES BY NATURAL CLASSIFICATION

The statement of revenues, expenses, and changes in net position displays operating expenses by functional classification. The following table summarizes operating expenses by natural classification for the years ended:

OPERATING EXPENSES BY NATURAL CLASSIFICATION

	June 30, 2023
Salaries and wages	\$ 120,723,576
Benefits	36,940,495
Goods and services	46,420,362
Scholarships and fellowships	23,741,608
Non-capitalized facility improvements	6,259,435
Supplies and materials	2,753,927
Utilities	6,144,655
Depreciation	24,059,767
Total	<u>\$267,043,824</u>

NOTE 17 – PLEDGED REVENUE

The University has pledged specific revenues, net of specified operating expenses, to repay the principal and interest of revenue bonds. The revenue bonds are obligations of the University's reporting segment referred to as "The System" (Note 18) with all revenues pledged as a whole to all debt service repayment. The following is a schedule of the pledged revenues and related debt:

Source of Revenue Pledged	2023 Revenues Pledged	2023 Debt Service	Total Future Revenues Pledged*	Description of Debt	Purpose of Debt	Term of Commitment
Student & Activity Fees	\$2,624,154	\$2,481,261	\$27,304,199	Series 2013 Bonds	Construction of new Student Union Building & Recreation Center (SURC)	2034
Bookstore Revenues	-	202,169	2,224,703	Series 2013 Bonds	Construction of new bookstore as part of the new SURC	2034
Housing, Dining & Parking Revenues	21,420,167	8,616,609	155,190,848	Series 2010, 2013, 2018, 2022 Bonds	Construction of Wendell Hill Hall 2008, Barto Hall 2010, Refunding bonds of 2012 and 2013, Dougmore Hall 2018, Refinance bonds of 2022	2049
Total	<u>\$ 24,044,321</u>	<u>\$ 11,300,039</u>	<u>\$ 184,719,751</u>			

NOTE 18 – SEGMENT INFORMATION

Central Washington University's System operates the Student Union & Recreation Center, residence halls, apartment complexes, a conference program, dining facilities, parking services and the Wildcat Shop bookstore located on the Ellensburg campus. The system owns its buildings, while the University owns the land. The system issues revenue bonds from time to time to renovate and build new facilities. The system pledges its net revenues to cover the costs of debt service, for accounting purposes the system is considered a segment of the University.

Presented below are condensed financial statements for the System.

Condensed Statement of Net Position

	June 30, 2023
Assets	
Current assets	\$ 22,780,925
Non-current assets	191,603,766
Deferred Outflows	6,562,411
Total assets & deferred outflows	220,947,102
Liabilities	
Current liabilities	11,927,652
Non-current liabilities	138,755,392
Deferred Inflows	8,497,836
Total liabilities & deferred inflows	159,180,880
Net position	
Net investment in capital assets	51,262,558
Restricted	2,428,592
Unrestricted	8,075,073
Total net position	\$ 61,766,223

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

Operating revenues	\$ 57,217,846
Operating expenses	51,541,753
Depreciation	6,713,710
Net operating income (loss)	(1,037,617)
Non-operating revenues (expenses)	
Interest on indebtedness	(5,614,918)
Other non-operating revenue (expense), net	6,528,759
Total increase in net position	(123,776)
Total net position, beginning of year	61,889,999
Total net position, end of year	\$ 61,766,223

Condensed Statement of Cash Flows

Net cash flows provided by	
Operating activities	\$ 6,291,096
Non-capital financing activities	
Investing activities	3,670,245
Capital and related financing	(9,688,145)
Net increase (decrease) in cash	273,196
Cash – beginning of year	14,424,411
Cash – end of year	\$ 14,697,607

**CENTRAL WASHINGTON UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION (RSI)**

Notes to RSI

Methods and assumptions used in calculations of actuarial determined contributions for PERS, TRS and LEOFF – The Office of the State Actuary (OSA) calculates the Actuarially Determined Contributions (ADC) based on the results of an actuarial valuation consistent with the state’s funding policy defined under Chapter 41.45 RCW. Consistent with the state’s contribution rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. For example, the actuarial valuation with a June 30th, 2015 valuation date, completed in the Fall of 2016, determines the ADC for the period beginning July 1st, 2017 and ending June 30th, 2020.

Under GASB Statement 68, government entities that participate in one or more of the State’s cost-sharing, multiple employer pension plans (PERS, SERS, PSERS, TRS, and LEOFF) must present as RSI:

- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Employer Contributions

These are 10-year schedules. Until a full 10-year trend is compiled, Central is presenting information only for those years for which information is available.

**GASB 68 RSI | SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY PERS 1
AS OF JUNE 30,**

(in Thousands)	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability (asset)	0.217229 %	0.223962 %	0.252457 %	0.259075 %	0.261741 %	0.267831 %	0.267903 %	0.273865 %	0.286822 %
Employer's proportionate share of the net pension liability	\$ 6,048	\$ 2,735	\$ 8,913	\$ 9,962	\$ 11,689	\$ 12,709	\$ 14,388	\$ 14,326	\$ 14,449
Total	6,048	2,735	8,913	9,962	11,689	12,709	14,388	14,326	14,449
Employer's covered payroll	\$ 35,043	\$ 34,030	\$ 37,320	\$ 35,830	\$ 33,819	\$ 32,921	\$ 31,104	\$ 30,204	\$ 30,159
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	17.26%	8.04%	23.88%	27.80%	34.56%	38.60%	46.26%	47.43%	47.91%
Plan fiduciary net position as a percentage of the total pension liability (State)	76.56%	88.74%	68.64%	67.12%	63.22%	61.24%	57.03%	59.10%	61.19%

**GASB 68 RSI | SCHEDULE OF EMPLOYER CONTRIBUTIONS PERS 1
AS OF JUNE 30,**

(in Thousands)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily or contractually required contributions	\$ 1,440	\$ 1,315	\$ 1,672	\$ 1,807	\$ 1,875	\$ 1,750	\$ 1,611	\$ 1,537	\$ 1,531	\$ 1,260
Contributions in relation to the statutorily or contractually required contributions	-1,440	-1,315	-1,672	-1,807	-1,875	-1,750	-1,611	-1,537	-1,531	-1,260
Contribution deficit (excess)	0									
Employer's covered payroll	\$ 37,250	\$ 35,043	\$ 34,030	\$ 37,320	\$ 35,830	\$ 33,819	\$ 32,921	\$ 31,104	\$ 30,204	\$ 30,159
Contributions as a percentage of covered employee payroll	3.87%	3.75%	4.91%	4.84%	5.23%	5.17%	4.89%	4.94%	5.07%	4.18%

GASB 68 RSI | SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY PERS 2/3

AS OF JUNE 30,

(in Thousands)	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability (asset)	0.276865 %	0.281328 %	0.319501 %	0.321394 %	0.319236 %	0.328308 %	0.324228 %	0.328819 %	0.335470 %
Employer's proportionate share of the net pension liability	\$ 10,268	\$ 28,025	\$ 4,086	\$ 3,122	\$ 5,451	\$ 11,407	\$ 16,325	\$ 11,749	\$ 6,781
Total	10,268	28,025	4,086	3,122	5,451	11,407	16,325	11,749	6,781
Employer's covered payroll	\$ 34,746	\$ 33,750	\$ 36,933	\$ 35,262	\$ 33,119	\$ 32,232	\$ 30,348	\$ 29,209	\$ 29,209
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	29.55%	83.04%	11.06%	8.85%	16.46%	35.39%	53.79%	40.22%	23.22%
Plan fiduciary net position as a percentage of the total pension liability (State)	106.73%	120.29%	97.22%	97.77%	95.77%	90.97%	85.82%	89.20%	93.29%

GASB 68 RSI | SCHEDULE OF EMPLOYER CONTRIBUTIONS PERS 2/3

AS OF JUNE 30,

(in Thousands)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily or contractually required contributions	\$ 2,354	\$ 2,203	\$ 2,668	\$ 2,925	\$ 2,649	\$ 2,463	\$ 2,016	\$ 1,556	\$ 1,872	\$ 1,465
Contributions in relation to the statutorily or contractually required contributions	-2,354	-2,203	-2,668	-2,925	-2,649	-2,463	-2,016	-1,556	-1,872	-1,465
Contribution deficit (excess)	0									
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Employer's covered payroll	37,005	34,746	33,750	36,933	35,262	33,119	32,232	30,348	29,209	29,209
Contributions as a percentage of covered employee payroll	6.36%	6.34%	7.91%	7.92%	7.51%	7.44%	6.25%	5.13%	6.41%	5.01%

GASB 68 RSI | SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY LEOFF 2

AS OF JUNE 30,

(in Thousands)	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability (asset)	0.047206 %	0.049248 %	0.054353 %	0.052684 %	0.046013 %	0.049366 %	0.048980 %	0.049973 %	0.052338 %
Employer's proportionate share of the net pension liability (asset)	-\$ 1,283	-\$ 2,861	-\$ 1,109	-\$ 1,221	-\$ 934	-\$ 685	-\$ 285	-\$ 514	-\$ 695
Total	-1,283	-2,861	-1,109	-1,221	-934	-685	-285	-514	-695
Employer's covered payroll	\$ 1,195	\$ 1,136	\$ 1,241	\$ 1,191	\$ 913	\$ 921	\$ 894	\$ 875	\$ 876
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	-107.33%	-251.79%	-89.36%	-102.46%	-102.30%	-74.37%	-31.88%	-58.73%	-79.25%
Plan fiduciary net position as a percentage of the total pension liability (State)	116.09%	142.00%	115.83%	148.78%	144.42%	113.36%	106.04%	111.67%	116.75%

GASB 68 RSI | SCHEDULE OF EMPLOYER CONTRIBUTIONS LEOFF 2

AS OF JUNE 30,
(in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily or contractually required contributions	\$ 104	\$ 98	\$ 98	\$ 107	\$ 98	\$ 80	\$ 78	\$ 75	\$ 73	\$ 74
Contributions in relation to the statutorily or contractually required contributions	-104	-98	-98	-107	-98	-80	-78	-75	-73	-74
Contribution deficit (excess)	<u>0</u>									
Employer's covered payroll	\$ 1,218	\$ 1,195	\$ 1,136	\$ 1,241	\$ 1,191	\$ 913	\$ 921	\$ 894	\$ 875	\$ 876
Contributions as a percentage of covered employee payroll	8.53%	8.18%	8.59%	8.59%	8.22%	8.74%	8.47%	8.39%	8.37%	8.46%

GASB 68 RSI | SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY TRS 1

AS OF JUNE 30,
(in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability (asset)	0.0004329 4	0.048890 %	0.046607 %	0.042640 %	0.039625 %	0.035188 %	0.033936 %	0.026544 %	0.026263 %
Employer's proportionate share of the net pension liability	\$ 823	\$ 329	\$ 1,123	\$ 1,056	\$ 1,157	\$ 1,064	\$ 1,159	\$ 841	\$ 775
Total	823	329	1,123	1,056	1,157	1,064	1,159	841	775
Employer's covered payroll	\$ 3,538	\$ 3,544	\$ 3,162	\$ 3,073	\$ 2,322	\$ 1,933	\$ 1,675	\$ 1,274	\$ 1,523
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	23.27%	9.29%	35.50%	34.35%	49.85%	55.04%	69.16%	65.99%	50.87%
Plan fiduciary net position as a percentage of the total pension liability (State)	78.24%	91.42%	70.55%	70.37%	66.52%	65.58%	62.07%	65.70%	68.77%

GASB 68 RSI | SCHEDULE OF EMPLOYER CONTRIBUTIONS TRS 1

AS OF JUNE 30,
(in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily or contractually required contributions	\$ 259	\$ 221	\$ 270	\$ 231	\$ 227	\$ 165	\$ 123	\$ 105	\$ 60	\$ 55
Contributions in relation to the statutorily or contractually required contributions	-259	-221	-270	-231	-227	-165	-123	-105	-60	-55
Contribution deficit (excess)	<u>0</u>									
Employer's covered payroll	\$ 3,949	\$ 3,538	\$ 3,544	\$ 3,162	\$ 3,073	\$ 2,322	\$ 1,933	\$ 1,675	\$ 1,274	\$ 1,523
Contributions as a percentage of covered employee payroll	6.57%	6.24%	7.61%	7.30%	7.38%	7.10%	6.37%	6.25%	4.69%	3.59%

GASB 68 RSI | SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY TRS 2/3

AS OF JUNE 30,

(in Thousands)

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability (asset)	0.042863 %	0.048231 %	0.046061 %	0.042743 %	0.040336 %	0.034181 %	0.033194 %	0.026201 %	0.031582 %
Employer's proportionate share of the net pension liability	-\$ 84	-\$ 1,326	\$ 707	\$ 258	\$ 182	\$ 315	\$ 456	\$ 221	\$ 102
Total	-84	-1,326	707	258	182	315	456	221	102
Employer's covered payroll	\$ 3,949	\$ 3,497	\$ 3,128	\$ 3,064	\$ 2,322	\$ 1,885	\$ 1,642	\$ 1,237	\$ 1,401
Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	-2.14%	-37.91%	22.62%	8.41%	7.82%	16.73%	27.76%	17.88%	7.28%
Plan fiduciary net position as a percentage of the total pension liability (State)	100.86%	113.72%	91.72%	96.36%	96.88%	93.14%	88.72%	92.48%	96.81%

GASB 68 RSI | SCHEDULE OF EMPLOYER CONTRIBUTIONS TRS 2/3

AS OF JUNE 30,

(in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily or contractually required contributions	\$ 315	\$ 274	\$ 292	\$ 254	\$ 239	\$ 179	\$ 126	\$ 109	\$ 70	\$ 81
Contributions in relation to the statutorily or contractually required contributions	-315	-274	-292	-254	-239	-179	-126	-109	-70	-81
Contribution deficit (excess)	0									
Employer's covered payroll	\$ 3,904	\$ 3,497	\$ 3,510	\$ 3,128	\$ 3,064	\$ 2,322	\$ 1,885	\$ 1,642	\$ 1,237	\$ 1,401
Contributions as a percentage of covered employee payroll	8.06%	7.84%	8.33%	8.11%	7.81%	7.72%	6.66%	6.65%	5.68%	5.75%

GASB 68 RSI | SCHEDULE OF CHANGES IN NET PENSION LIABILITY SUPPLEMENTAL PLANfor the year ended June 30, **2023** **2022** **2021**

Total Pension Liability - Beginning	\$ 5,545,000	\$ 4,635,000	\$ 8,622,000
Service cost	24,000	19,000	74,000
Interest	373,000	327,000	187,000
Changes in Benefit Terms	-	-	-
Differences between expected and actual experience	(181,000)	777,000	(1,386,000)
Changes in assumptions ¹	(273,000)	260,000	(2,394,000)
Benefit payments	(493,000)	(473,000)	(467,000)
Other	-	-	(1,000)
Total Pension Liability - Ending (a)	\$ 4,995,000	\$ 5,545,000	\$ 4,635,000

Plan Fiduciary Net Position - Beginning	\$ 3,751,000	\$ 3,560,000	\$ 2,493,000
Contributions - Employer	178,000	187,000	173,000
Net Investment Income	271,000	4,000	894,000
Other	-	-	-
Plan Fiduciary Net Position - Ending (b)	\$ 4,200,000	\$ 3,751,000	\$ 3,560,000

CWUSRP Net Pension Liability (a-b)	\$ 795,000	\$ 1,794,000	\$ 1,075,000
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Covered-Employee Payroll	\$ 63,515,000	\$ 66,747,000	\$ 10,380,766
Net pension liability as a percentage of the total pension liability	7.86%	8.31%	44.65%
Plan fiduciary net position as a percentage of the total pension liability	84.08%	67.65%	76.81%

GASB 68 RSI | SCHEDULE OF EMPLOYER CONTRIBUTIONS SUPPLEMENTAL PLANAS OF JUNE 30, **2023** **2022** **2021**

(In Thousands)

Statutorily or contractually required contributions	\$ 178	\$ 187	\$ 173
Contributions in relation to the statutorily or contractually required contributions	(178)	(187)	(173)
Contribution deficit (excess)	-	-	-
Employer's covered payroll	\$ 63,515	\$ 66,747	\$ 10,380
Contributions as a percentage of covered payroll	0.28%	0.28%	1.67%

GASB 75 RSI | SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

FOR YEAR ENDED JUNE 30,

Central Washington University	2023	2022	2021	2020	2019	2018
Proportionate Share (%)	1.1518095966%	1.1705210087%	1.2841473431%	1.3110123441%	1.2699155000%	1.2489969930%
Service Cost	\$ 3,609,680	\$ 3,786,177	\$ 3,226,709	\$ 3,080,900	\$ 4,032,287	\$ 4,932,979
Interest Cost	1,674,844	1,636,363	2,699,192	2,672,504	2,772,175	2,310,638
Differences Between Expected and Actual Experience	(1,658,641)	-	(413,626)	-	2,530,457	-
Changes in Assumptions	(28,004,843)	699,142	1,749,678	4,976,906	(17,652,761)	(11,271,331)
Changes of Benefit Terms	-	-	-	-	-	-
Benefit Payments	(1,230,513)	(1,246,682)	(1,285,126)	(1,222,510)	(1,170,828)	(1,177,538)
Changes in Proportionate Share	(1,210,941)	(6,880,294)	(1,559,207)	2,087,159	1,218,675	(1,144,803)
Other	-	-	(2,749,326)	-	-	-
Net Change in Total OPEB Liability	(26,820,414)	(2,005,294)	1,668,294	11,594,959	(8,269,995)	(6,350,055)
Total OPEB Liability - Beginning	75,752,311	77,757,605	76,089,311	64,494,352	72,764,347	79,114,402
Total OPEB Liability - Ending	\$ 48,931,897	\$ 75,752,311	\$ 77,757,605	\$ 76,089,311	\$ 64,494,352	\$ 72,764,347
Covered-Employee Payroll	117,464,741	117,651,664	113,522,581	109,598,517	101,003,340	93,216,733

APPENDIX

EXHIBIT I BUDGETED VERSUS ACTUAL ENROLLMENT AVERAGE ANNUAL FTE

Year	Budgeted	Actual
2022-23	8,760	7,966
2021-22	8,848	8,773
2020-21	9,905	9,719
2019-20	10,362	10,061
2018-19	10,319	10,027
2017-18	10,512	9,905
2016-17	9,694	9,721
2015-16	9,105	9,392
2014-15	9,105	9,089
2013-14	9,105	9,292

EXHIBIT II - ENROLLMENT STATISTICS (IPEDS) For Fiscal Years Ended June 30

Fall Quarter Headcount	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Undergraduates										
Full-time	7,015	8,373	9,235	9,977	10,040	9,810	9,482	9,103	8,753	9,172
Part-time	1,096	1,193	1,283	1,134	1,379	1,566	1,637	2,009	2,211	1,636
Total undergraduates	8,111	9,566	10,518	11,111	11,419	11,376	11,119	11,112	10,964	10,808
Graduates										
Full-time	311	238	225	121	528	466	509	503	461	286
Part-time	176	372	431	426	395	355	343	378	374	374
Total graduates	487	610	656	547	923	821	852	881	835	531
Total – undergraduates and graduates										
Full-time	7,326	8,611	9,460	10,098	10,568	10,276	9,991	9,606	9,214	9,458
Part-time	1,272	1,565	1,714	1,560	1,774	1,921	1,980	2,387	2,585	1,829
Total – full- and part-time	8,598	10,176	11,174	11,658	12,342	12,197	11,971	11,993	11,799	11,287
Fall quarter FTE	8,012.30	9,661	10,631	11,172	11,110	11,149	10,776	10,597	9,752	10,193
Freshmen										
Applications	7,778	9,686	12,263	9,854	9,783	8,597	7,377	4,923	4,108	4,434
Percent applicants admitted	91%	91%	86%	78%	79%	86%	79%	82%	87%	82%
Enrolled	1,573	1,499	1,665	2,133	2,076	2,133	1,906	1,652	1,363	1,502
Enrolled percent of admissions	22%	17%	16%	28%	27%	29%	33%	34%	38%	41%
Transfer Students										
Applications	1,584	2,125	2,558	2,449	2,548	2,533	2,553	2,338	2,227	2,313
Percent applicants admitted	86%	81%	77%	86%	83%	84%	83%	85%	87%	87%
Enrolled	806	910	1,057	1,236	1,247	1,387	1,369	1,383	1,333	1,374
Enrolled percent of admissions	53%	53%	54%	59%	59%	65%	65%	59%	68%	68%

**EXHIBIT III - HISTORICAL OPERATIONS FOR THE SYSTEM
FOR FISCAL YEARS ENDED JUNE 30**

	2023	2022	2021	2020	2019	2018
Gross Revenue						
Housing and dining	\$39,424,868	\$34,938,272	\$17,800,356	\$35,294,847	\$41,778,485	\$39,854,400
Services and activities	10,622,447	11,162,239	11,604,434	13,115,666	13,881,824	13,188,290
University store	5,602,319	5,911,927	6,079,756	7,910,660	9,718,683	9,187,452
Parking	1,568,213	1,324,151	1,033,838	1,309,223	1,693,337	1,458,281
Total gross revenue	\$57,217,847	\$53,336,589	\$36,518,384	\$57,630,396	\$67,072,329	\$63,688,423
Operating Expenses⁽¹⁾						
Housing and dining	33,706,642	24,639,118	19,291,299	31,088,214	29,361,663	26,836,571
Services and activities	9,680,471	8,417,169	7,632,943	9,926,532	10,207,464	10,447,874
University store	6,662,412	5,796,395	6,820,384	8,209,996	10,349,299	10,316,632
Parking	1,492,227	1,383,265	305,777	1,205,154	2,564,632	1,046,751
Total operating expenses	51,541,752	40,235,947	34,050,403	50,429,896	52,483,058	48,647,828
Net revenue	\$5,676,095	\$13,100,642	\$2,467,981	\$7,200,500	\$14,589,270	\$15,040,595
Total debt service⁽²⁾	\$11,604,146	\$11,479,723	\$11,511,103	\$11,511,049	\$12,760,759	\$8,804,467

(1) Excludes depreciation

(2) Excludes capitalized interest



EXHIBIT IV

Central Washington University						
Schedule of System Revenue Bond Debt Service						
	The Series 2010 Bonds		The Series 2022 Bonds		The Series 2013 Bonds	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2024		1,614,890	420,000	71,332	2,620,000	1,237,325
2025		1,614,890	431,000	63,940	2,725,000	1,132,525
2026	1,515,000	1,614,890	435,000	56,356	2,835,000	1,023,525
2027	1,580,000	1,516,415	439,000	48,700	2,945,000	910,125
2028	1,650,000	1,413,715	452,000	40,972	3,065,000	792,325
2029	1,715,000	1,306,465	459,000	33,018	3,160,000	696,544
2030	1,790,000	1,194,990	465,000	24,940	3,265,000	593,844
2031	1,260,000	1,078,640	471,000	16,756	3,370,000	487,731
2032	1,320,000	991,070	481,000	8,466	3,485,000	373,994
2033	1,380,000	899,330			3,600,000	256,375
2034	1,440,000	803,420			3,725,000	130,375
2035	1,505,000	703,340				
2036	1,575,000	598,743				
2037	1,645,000	489,280				
2038	1,720,000	374,952				
2039	1,795,000	255,412				
2040	1,880,000	130,660				
2041						
2042						
2043						
2044						
2045						
2046						
2047						
2048						
2049						
Total	\$ 23,770,000	\$ 16,601,102	\$ 4,053,000	\$ 364,480	\$ 34,795,000	\$ 7,634,688

EXHIBIT IV (CONTINUED)

Central Washington University							
Schedule of System Revenue Bond Debt Service							
	The Series 2016 Bonds		The Series 2018 Bonds				
Fiscal Year	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total
2024	1,195,000	831,087	1,585,000	1,720,932	5,820,000	5,475,566	11,295,567
2025	1,255,000	771,337	1,660,000	1,641,681	6,071,000	5,224,373	11,295,373
2026	1,320,000	708,587	960,000	1,558,682	7,065,000	4,962,040	12,027,041
2027	1,385,000	642,587	1,010,000	1,510,681	7,359,000	4,628,508	11,987,508
2028	1,455,000	573,337	1,060,000	1,460,182	7,682,000	4,280,531	11,962,532
2029	1,525,000	500,587	1,115,000	1,407,181	7,974,000	3,943,795	11,917,795
2030	1,565,000	466,275	1,170,000	1,351,431	8,255,000	3,631,480	11,886,480
2031	1,605,000	419,325	1,225,000	1,292,931	7,931,000	3,295,383	11,226,383
2032	1,645,000	379,200	1,275,000	1,243,931	8,206,000	2,996,661	11,202,661
2033	1,695,000	329,850	1,325,000	1,192,931	8,000,000	2,678,486	10,678,486
2034	1,750,000	279,000	1,380,000	1,139,931	8,295,000	2,352,726	10,647,726
2035	1,805,000	226,500	1,435,000	1,084,731	4,745,000	2,014,571	6,759,571
2036	1,860,000	172,350	1,490,000	1,027,331	4,925,000	1,798,424	6,723,424
2037	1,915,000	116,550	1,545,000	975,181	5,105,000	1,581,011	6,686,011
2038	1,970,000	59,100	1,600,000	921,106	5,290,000	1,355,158	6,645,158
2039			1,655,000	865,106	3,450,000	1,120,518	4,570,518
2040			1,715,000	805,113	3,595,000	935,773	4,530,773
2041			1,775,000	742,944	1,775,000	742,944	2,517,944
2042			1,840,000	678,600	1,840,000	678,600	2,518,600
2043			1,915,000	605,000	1,915,000	605,000	2,520,000
2044			1,990,000	528,400	1,990,000	528,400	2,518,400
2045			2,070,000	448,800	2,070,000	448,800	2,518,800
2046			2,155,000	366,000	2,155,000	366,000	2,521,000
2047			2,240,000	279,800	2,240,000	279,800	2,519,800
2048			2,330,000	190,200	2,330,000	190,200	2,520,200
2049			2,425,000	97,000	2,425,000	97,000	2,522,000
Total	\$ 23,945,000	\$ 6,475,672	\$ 41,945,000	\$ 25,135,806	\$ 128,508,000	\$ 56,211,748	\$ 184,719,751

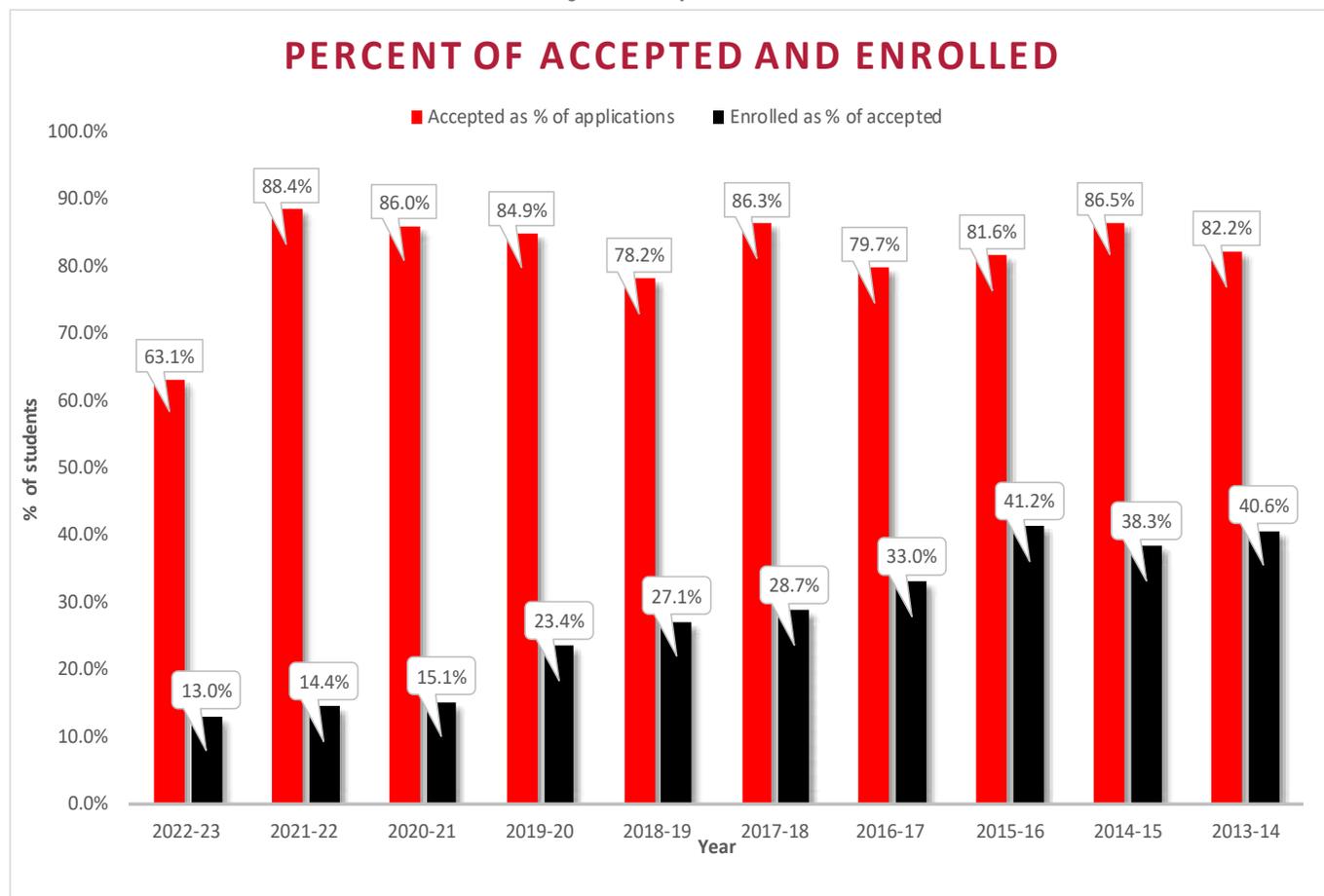
STATISTICS

ADMISSIONS AND ENROLLMENT

(IPEDS Admissions survey)

Admissions - Freshman	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Applications	15,821	10,767	13,263	11,017	10,148	8,597	7,255	4,934	4,120	4,507
Accepted	9,981	9,523	11,405	9,356	7,932	7,423	5,783	4,027	3,562	3,703
Enrolled	1,298	1,371	1,723	2,193	2,148	2,133	1,911	1,661	1,363	1,502
Accepted as % of applications	63.1%	88.4%	86.0%	84.9%	78.2%	86.3%	79.7%	81.6%	86.5%	82.2%
Enrolled as % of accepted	13.0%	14.4%	15.1%	23.4%	27.1%	28.7%	33.0%	41.2%	38.3%	40.6%

Source: Central Washington University Office of Institutional Effectiveness

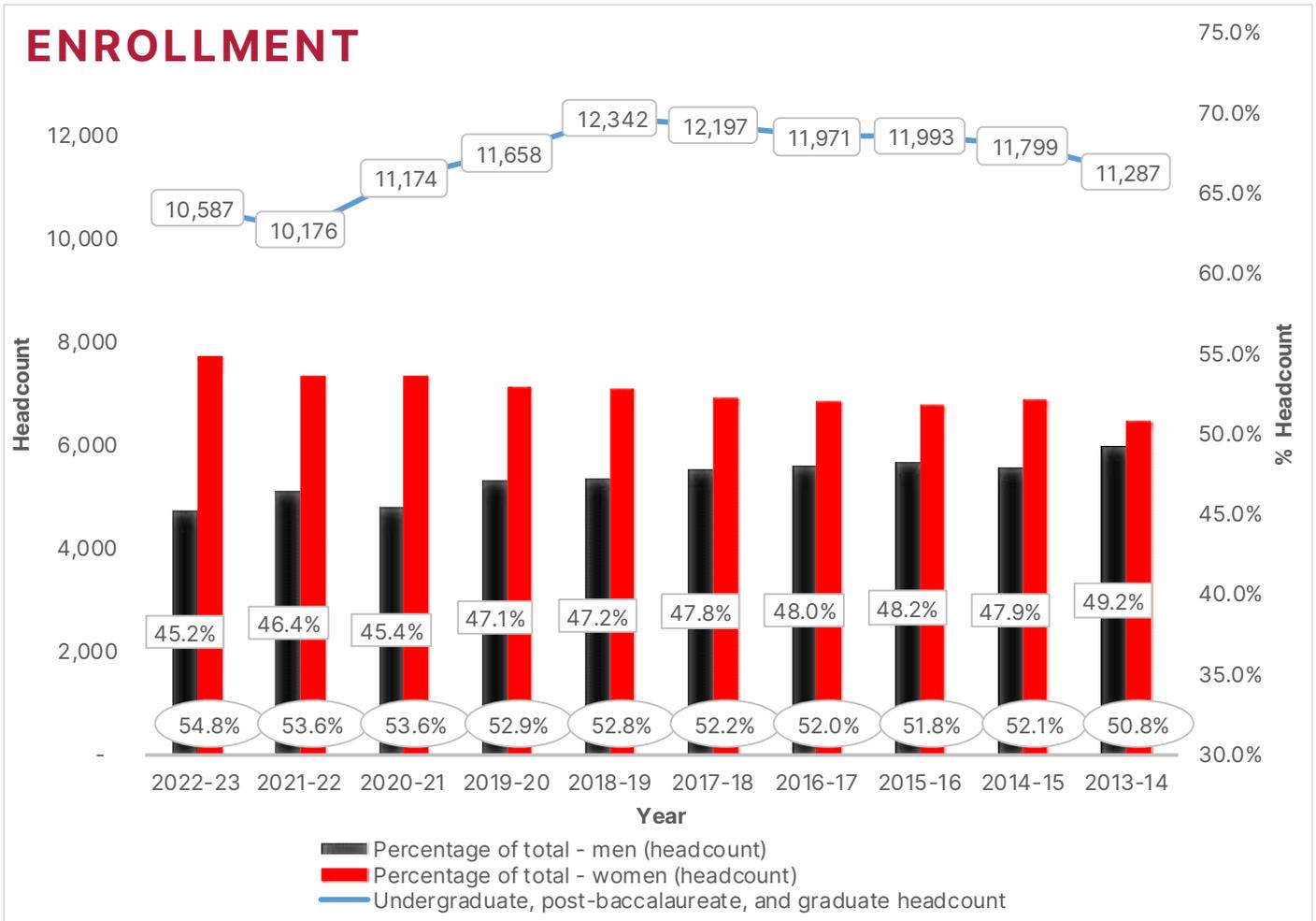


ENROLLMENT

(IPEDS Fall Enrollment survey)

Enrollment	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Undergraduate, post-baccalaureate, and graduate headcount	10,587	10,176	11,174	11,658	12,342	12,197	11,971	11,993	11,799	11,287
Men (headcount)	4,789	4,724	5,076	5,489	5,828	5,828	5,746	5,786	5,652	5,552
Percentage of total - men (headcount)	45.2%	46.4%	45.4%	47.1%	47.2%	47.8%	48.0%	48.2%	47.9%	49.2%
Women (headcount)	5,798	5,452	5,989	6,169	6,514	6,369	6,225	6,207	6,147	5,735
Percentage of total - women (headcount)	54.8%	53.6%	53.6%	52.9%	52.8%	52.2%	52.0%	51.8%	52.1%	50.8%

Source: Central Washington University Office of Institutional Effectiveness



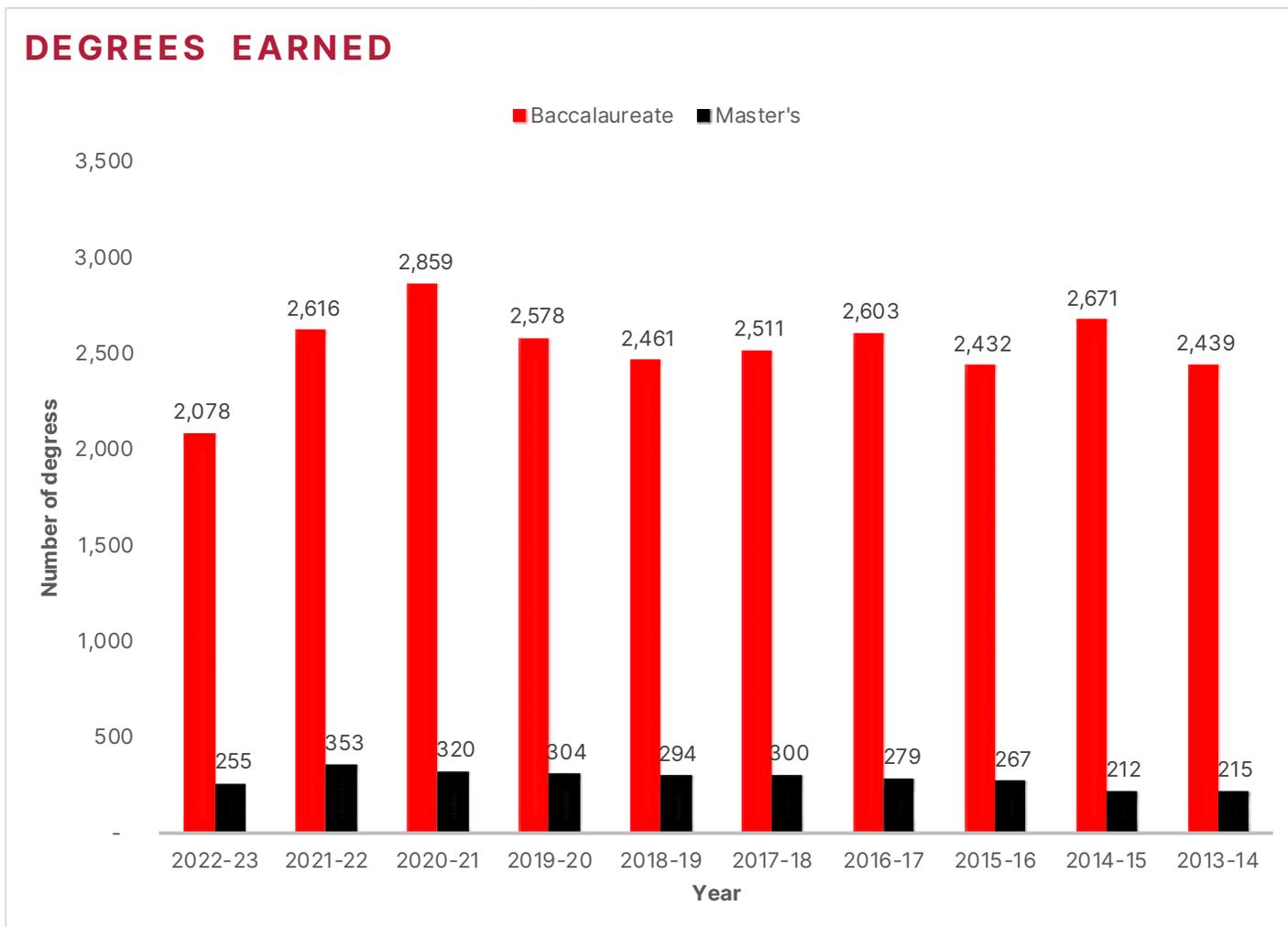
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DEGREES EARNED

(1ST MAJOR)

Degrees Earned	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Baccalaureate	2,078	2,616	2,859	2,578	2,461	2,511	2,603	2,432	2,671	2,439
Master's	255	353	320	304	294	300	279	267	212	215
Total earned	2,333	2,969	3,179	2,882	2,755	2,811	2,882	2,699	2,883	2,654

Source: Central Washington University Office of Institutional Effectiveness



FACULTY AND STAFF

Fall employment - FTE	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Faculty	492	591	649	526	628	626	633	637	622	609
Administrative professional	381	382	423	413	408	344	329	303	282	247
Classified staff	550	536	582	604	587	581	588	582	581	591
Total FTE	1423	1509	1654	1543	1623	1551	1550	1522	1485	1447

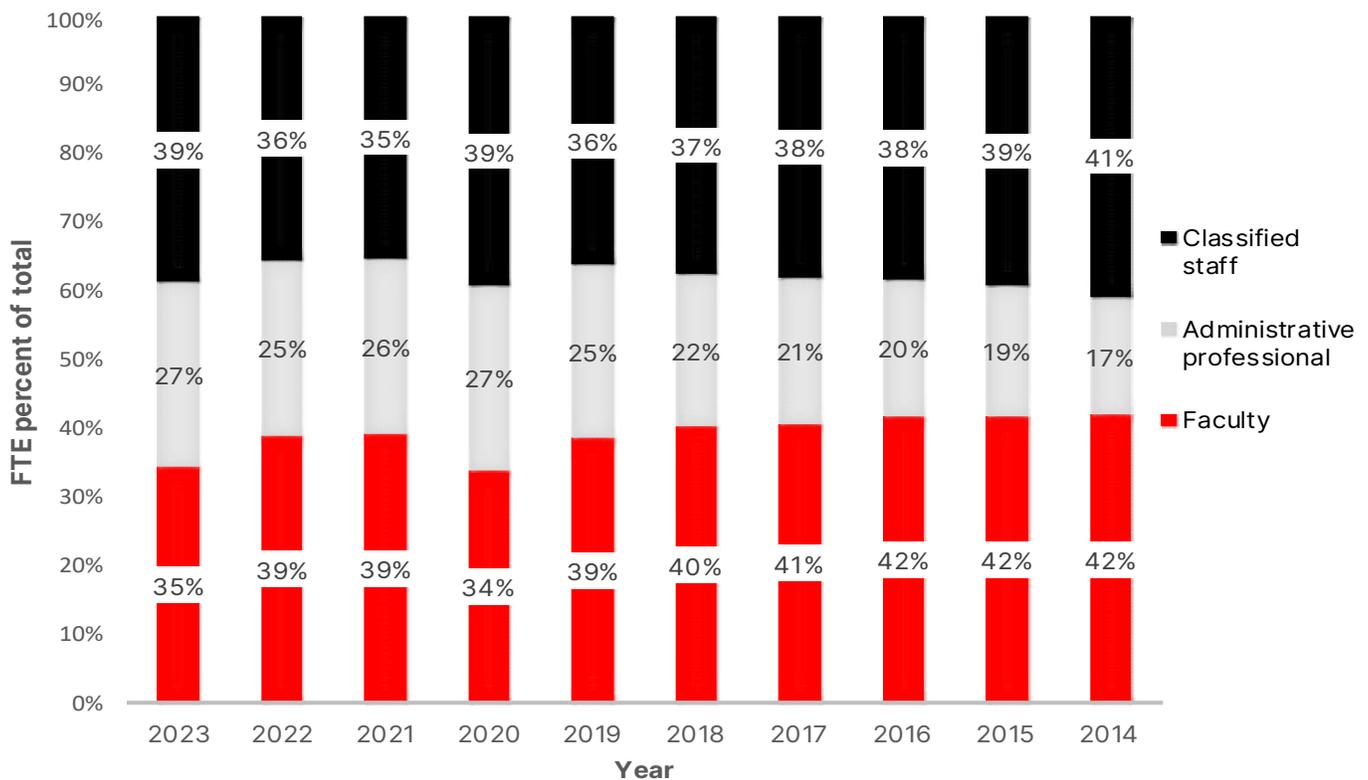
Fall employment - Headcount	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Faculty	653	732	731	688	768	703	721	724	730	696
Administrative professional	389	384	428	417	412	346	332	303	288	252
Classified staff	565	544	596	617	598	596	602	597	602	616
Total Headcount	1607	1660	1755	1722	1778	1645	1655	1624	1620	1564

FTE - percent of total	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Faculty	35%	39%	39%	34%	39%	40%	41%	42%	42%	42%
Administrative professional	27%	25%	26%	27%	25%	22%	21%	20%	19%	17%
Classified staff	39%	36%	35%	39%	36%	37%	38%	38%	39%	41%

Headcount - percent of total	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Faculty	41%	44%	42%	40%	43%	43%	44%	45%	45%	45%
Administrative professional	24%	23%	24%	24%	23%	21%	20%	19%	18%	16%
Classified staff	35%	33%	34%	36%	34%	36%	36%	37%	37%	39%

Source: Central Washington University Office of Institutional Effectiveness

FACULTY AND STAFF - FTE FALL DATA







ANNUAL FINANCIAL REPORT 2023



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