&OHYHODQG 6WDWH 8QLYHU

D FRPSRQHQW XQLW RI WKH 6WDWH RI 2

)LQDQFLDO 5HSRUW

ZLWK 6XSSOHPHQWDO ,QIRUPDWLRQ

-XQH

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&RQWHQWV

To the Board of Trustees
Cleveland State University

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the University's proportionate share of the net pension liability, the schedule of the University's pension contributions, the schedule of the University's proportionate share of the net OPEB liability, and the schedule of the University's OPEB contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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

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)LQDQFLDO +LJKOLJKWV

7KH 8QLYHUVLW\¶V ILQDQFLDO SRVLW[illegible]
OLDELOLWLHV RI PLOOLRQ DQ[illegible]
UHVLGXDO LQWHU[illegible]
UHVRXUFHV DUH GHGXFWHG WRWD[illegible]
DQG WKH LPSOHPHQWDWLRQ RI *$6% 6WDWHPHQW 1R RQ -XO\

6WDWHPHQW RI 1HW 3RVLWLRQ

7KH VWDWHPHQW RI QHW SRVLWLRQ [illegible]
LQFOXGHV DOO D[illegible]
LQIORZV QHW SRVLWLRQ LV RQ[illegible]
SRVLWLRQ LV DQ LQGLFDWRU RI Z[illegible]
GHIHUUHG RXWIO[illegible]
H[FHSWLRQ LV FDSLWDO DVVHWV [illegible]
8QLYHUVLW\¶V D[illegible] LV

@

,Q DFFRUGDQFH ZLW[illegible] 6WDWHPHQW [illegible]

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

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0DQDJHPHQW¶V 'LVFXVVLRQ DQG $QDO\VLV &

,Q $XJXVW WKH 8QLYHUVLW\ LVVXHG V6 PLOOLRQ GHEW LQ WKH IRUP RI WZR ERQG RIIHULQJV LQ WKLV LVVXDQFH ZDV PLOOLRQ DQG LV H[SHFWHG WR EH XVHG WR UROO LQ KHDOWK VFLHQFHV DQG H[SDQG WKH 0HGLFDO 6FKRRO¶V UHVHDUFK DQG FOLQLFDO IDFLOLWLHV 7KH GHPRQVWUDWHG D YDFDQW GRUPLWRU\ DQG UHVSRQGHG WR WKH QHHG IRU PRGHUQ OLYLQJ DQG OHDUQLQJ VSDFHV LQ 0HGLFDO 3URIHVVLRQDOV EHJDQ LQ -XQH

,Q 6HSWHPEHU WKH 8QLYHUVLW\ LVVXHG PLOOLRQ LQ WD[DEOH UHYHQXH ERQGV WR UHIXQG SULQFLSDO PRX 7KH *HQHUDO 5HFHLSWV 6HULHV %RQGV GDWHG 2FWREHU WKURXJK $SULO ,QWHUHVW LV SD\DEOH PRQW

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

6WDWHPHQW RI 5HYHQXH (&SHQVHV LQ 1HW 3RVLWLRQ

7KH VWDWHPHQW RI UHYHQXH H[SHQVHV DQG FKDQJHV LQ QHW SRVLWLRQ
LQFXUUHG GXULQJ WKH \HDU $FWLYLWLHV RU RWKHU RSHUDWLQJ DFWLYLWLHV
8QLYHUVLW\ LV GHSHQGHQW RQ 6WDWH

0DMRU VRXUFHV RI FDVK LQFOXGHG VWXGHQW WXLWLRQ DQG IHHV RI PLOOLRQ LQ PLOOLRQ LQ 6WDWH DSSURSULDWLRQV RI PLOOLRQ DQG PLOOLRQ LQ PLOOLRQ DQG FRQWUDFWV RSHUDWLQJ DQG QRQFDSLWDO PLOOLRQ LQ PLOOLRQ LQ DQG DX[LOLDU\ DFWLYLWLHV RI Q LQ PLOOLRQ DQG PLOOLRQ LQ

7KH ODUJHVW SD\PHQWV ZHUH IRU HPSOR\HH FRPSHQVDWLRQ DQG EHQHILWV LQ DQG PLOOLRQ VXSSOLHUV RI JRRGV DQG VHUYLFHV LQ PLOOL PLOOLRQ DQG PLOOLRQ LQ DQG SXUFKDVHV RI FDSLWDO DVVHWV PLOOLRQ LQ DQG PLOOLRQ LQ

7KH FKDQJH LQ FDVK IORZV IURP WR PLQJ IURP SULPDULO\ GXH WR IORZV IURP WR LV SULPDULO\ GXH WR EHQHILW RI DFFHOHUDWLRQ RI UHFHQWO\ IXQGHG

&UHGLW 5DWLQJ

7KH 8QLYHUVLW\¶V ERQGV DUH UDWHG

&/(9(/$1' 67$7(81,9(56,7<

0DQDJHPHQW¶V 'LVFXVVLRQ DQG $QDO\VLV 8

,Q ILVFDO \HDU WKH 8QLYHUVLWQ\WLHPHSSCSHUHRHJQDWPHGWKDWXLQVFLRQDJXHDUXQ
IRU WKH ILUVW FRKRUW $XWKRULDWP\HIRUURPSHJHQDWLRQJWSKDLWVEGDQ\
$VVHPEO\ 8QGHU WQLYHSJYDQ\ WKEHDHKQVEDQWW\HGRWKH HVWDEOLVK DQQ
XQGHUJUDGXDWH VWXGHQWV HVWKEOLXKGWHULWLRQHDFK
FRKRUWV¶ WXLWLRQ UDWH IRU D SHQLRUVILMR\XKDVSDRQWHXGDOWLJ
XQGHUJUDGXDWH VWXGHQWV WR UHFKLWHDQ UEHVDKRZLRQDSQJRQFHVWRZL
UHPDLQLQJ LQ DFDGHPLF JRRG VWDQGL*QJD GXDOWSRUQJQDFHQWQRZQ3ODQW\KHR
\HDU)DOO EXW GLG QRW UHVXUHXQGLGLQJEDWKHD8QLYH)DOO
QHZ VWXGHQWV ZHUH DGPLWWHG WR WK)HDSOJUDPZHIHQWLQYFHDWRHUH

&/(9(/$1' 67$7(81,9(56,7<

6WDWHPHQW RI 5HYHQXH G(&SHQVHV LQ 1HW 3RVLW
<HDUV (QGHG -XQH DQG

5HYHQXH		
2SHUDWLQJ UHYHQXH		
6WXGHQW WXLWLRQ DQG IHHV		
/HVV VFKRODUVKLS DOORZDQFHV		
1HW VWXGHQW WXLWLRQ DQG IHHV		
)HGHUDO JUDQWV DQG FRQWUDFWV		
6WDWH JUDQWV DQG FRQWUDFWV		
/RFDO JUDQWV DQG FRQWUDFWV		
3ULYDWH JUDQWV DQG FRQWUDFWV	y	
6DOHV DQG VHUYLFHV		
$X[LOLDU\ HQWHUSULVHV		
2WKHU		
7RWDO RSHUDWLQJ UHYHQXH		
([SHQVHV		
2SHUDWLQJ H[SHQVHV		
,QVWUXFWLRQ	7•ð	
5HVHDUFK		
3XEOLF VHUYLFH		
$FDGHPLF VXSSRUW		
6WXGHQW VHUYLFHV		
,QVWLWXWLRQDO VXSSRUW		
2SHUDWLRQ DQG PDLQWHQDQFH RI SODQW		
6FKRODUVKLSV DQG IHOORZVKLSV	7•ð	
$X[LOLDU\ HQWHUSULVHV		
'HSUHFLDWLRQ DQG DPRUWL]DWLRQ		;
7RWDO RSHUDWLQJ H[SHQVHV		
2SHUDWLQJ ORVV	7•ð	
1RQRSHUDWLQJ 5HYHQXH ([SHQ		
6WDWH DSSURSULDWLRQV		
)HGHUDO JUDQWV DQG FRQWUDFWV		
6WDWH JUDQWV DQG FRQWUDFWV		
*LIWV		
,QYHVWPHQW LQFRPH		
,QWHUHVW RQ GHEW		•ð
1HW QRQRSHUDWLQJ UHYHQXH		
,QFUHDVH 'HFUHDVH EHIRUH RWKHU FKDQJHV	•ð	

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

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6WDWHPHQW RI &DVK <HDUV (QGHG -XQH DQ

&DVK)ORZV IURP 2SHUDWLQJ $FWLYLWLHV@

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

&/(9(/$1' 67$7(81,9(56,7<

(XFOLG $YHQXH 3HPEURNH &RUSRUDWH
6WDWHPHQW RI)LQDQFLDO
-XQH DQG

$VVHWV
&XUUHQW $VVHWV
&DVK DQG &DVK (TXLYDOHQWV

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

&/(9(/$1' 67$7(81,9(56,7<

7KH &OHYHODQG 6WDWH \8)RXQG
6WDWHPHQW RI $FW
<HDUV (QGHG -XQH DQ

	:LWKRXW 'RQRU 5HVWULFWLRQV	:LWK 'RQRU 5HVWULFWLRQV	7RWDO	7

5HYHQXHV
- &RQWULEXWLRQV
- 0DQDJHPHQW IHHV UHODWHG WR IXQGV KHOG RQ EHKDOI RI RWKHUV
- 0DQDJHPHQW IHHV UHODWHG WR LQWHUQDO IXQGV
- 1HW DVVHWV UHOHDVHG IURP UHVWULFWLRQV

7RWDO UHYHQXHV

([SHQVHV
- 3URJUDP VHUYLFHV
- 6XSSRUWLQJ VHUYLFHV
  - 0DQDJHPHQW DQG JHQHUDO
  -)XQG UDLVLQJ

7RWDO VXSSRUWLQJ VHUYLFHV

7RWDO H[SHQVHV

*DLQV /RVVHV

3URYLVLRQ IRU XQFROOHFWLEOH FRQWULEXWLRQV

7RWDO JDLQV QHW

&KDQJH LQ 1HW $VVHWV

m –À

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

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(XFOLG $YHQXH 6HP HQW &RUSRUDW
6WDWHPHQW RI $FW
<HDUV (QGHG -XQH DQ

5HYHQXHV
5HQWDO ,QFRPH

6HH 1RWHV WR)LQDQFLDO 6WDWHPHQWV

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

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1RWHV WR)LQDQFLDO 6WD

-XQH DQG

1RWH ± 6XPPDU\ RI 6LJQLILFDQW $FFRXQWLQJ 3ROLFLHV &RQWLQXHG

3HUNLQV /RDQ)XQG)XQGV SURYLGHG E\ WKH 8 6 JRYHUQPHQW XQGHU WK
3HUNLQV /RDQ SURJUDP DUH ORDQHG WR TXDOLILHG VWXGHQWV DQG PD\ EH UH ORDQHG DIWHU FROOHFWLRQV 7
DUH XOWLPDWHO\ UHIXQGDEOH WR WKH JRYHUQPHQW DQG WKHUHIRUH

1RWH ± 6XPPDU\ RI 6LJQLILFDQW $FFRXQWLQJ 3ROLFLHV &RQWLQXHG

8VH RI (VWLPDWHV 7KH SUHSDUDWLRQ RI ILQDQFLDO VWDWHPHQWV LQ FRQIRUPLW\ ZLWK DFFRXQWLQJ SULQFLSOHV
JHQHUDOO\ DFFHSWHG LQ WKH 8QLWHG 6WDWHV RI $PHULFD UHTXLUHV PDQDJHPHQW WR PDNH HVWLPDW
DVVXPSWLRQV WKDW DIIHFW WKH DPRXQWV UHSRUWHG LQ WKH ILQDQFLDO VWDWHPHQWV DQG DFFRPSDQ\LQ
$FWXDO UHVXOWV FRXOG GLIIHU IURP WKRVH HVWLPDWHV

%RQG ,VVXDQFH &RVWV %RQG LVVXDQFH FRVWV DUH H[SHQVHG DV LQFXUUH

3HQVLRQV)RU SXUSRVHV RI PHDVXULQJ WKH QHW SHQVLRQ OLDELOLW\ GHIHUUHG RXWIORZV RI UHVRXUFHV
GHIHUUHG LQIORZV RI UHVRXUFHV UHODWHG WR SHQVLRQV DQG SHQVLRQ

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± 6XPPDU\ RI 6LJQLILFDQW $FFRXQWLQJ &RQWLQXHG

1RWH ±)DLU 9DOXH 0HDVXUHPHQWV &RQWLQXHG

7KH 8QLYHUVLW\ KDV WKH IROORZLQJ UHFXUULQJ IDLU YDOXH PHDVXUHPHQWV DV RI -XQH

	%DODQFH DW -XQH	/HYHO	/HYHO	/HYHO
'HEW VHFXULWLHV				
8 6 7UHDVXULHV				

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ±)DLU 9DOXH 0HDVXUHPHQWV &RQWLQXHG

(TXLW\ VHFXULWLHV DQG PXWXDO IXQGV DQG GHEW VHFXULWLHV

7KH IDLU YDOXH RI FRUSRUDWH DQG DJHQF\ ERQGV I00

&/(9(/$1' 67$7(81,9(56,7<

1RWHV WR)LQDQFLDO 6WD

-XQH DQG

1RWH ± 6WDWH 6XSSRUW

7KH 8QLYHUVLW\ LV WKH 6WDWH DVVLVWHG LQVWLWXWLRQ RI KLJKHU HGXFDWLRQ D VWXG
VXEVLG\ IURP WKH 6WDWH 7KLV VXEVLG\ LV GHWHUPLQHG DQQXDOO\ EDVHG XSRQ D IRUPXOD
2KLR 'HSDUWPHQW RI +LJKHU (GXFDWLRQ

,Q DGGLWLRQ WKH 6WDWH SURYLGHV WKH IXQGLQJ IRU FRQVWUXFWLRQ
FDPSXV 7KH IXQGLQJ LV REWDLQHG IURP WKH 2KLR 3XEOLF)DF
&RPPLVVLRQ 23)& ZKLFK LQ WXUQ FDXVHV
E\ 7KH 2KLR 'HSDUWPHQW RI +LJKHU (GXFDWLRQ
(GXFDWLRQ WXUQV
ERQGV LVVXHG E\ 23)& QRU WKH DQQXDO
DUH UHIOHFWHG LQ WKH 8QLYHUVLW\

1RWH ± &DSLWDO $VVHWV

1RWH ± 1RQFXUUHQW /LDELOLWLHV 1HW 3HQVLRQ /LDELOLW\

1RQFXUUHQW OLDELOLWLHV ... IROORZL
DQG -XQH

	,QWHUHVW 'XH 'DWHV	%HJLQQLQJ 5DWH	%DODQFH	$GGLWLRQV	5HGXFWLRQV	(QGLQJ %DODQFH	&XUUHQW
ERQGV SD\DEOH							
ERQGV SD\DEOH							
ERQG SUHPLXP							
$ ERQGV SD\DEOH							
$ ERQG SUHPLXP							
GLUHFW SXUFKDVH ERQGV							
&DSLWDO OHDVHV GLUHFW SODFHPHQW							
7RWDO GHEW							
3HUNLQV VWXGHQW ORDQV							
'HSRVLWV							
&RPSHQVDWHG DEVHQFHV							
/HVV FXUUHQW SRUWLRQ ORQJ WHUP OLDELOLWLHV							
/RQJ WHUP OLDELOLWLHV							

	,QWHUHVW 'XH 'DWHV	%HJLQQLQJ 5DWH	%DODQFH	$GGLWLRQV	5HGXFWLRQV	(QGLQJ %DODQFH	&XUUHQW
ERQGV SD\DEOH							
ERQGV SD\DEOH							
ERQG SUHPLXP							
$ ERQGV SD\DEOH							
$ ERQG SUHPLXP							
&DSLWDO OHDVHV GLUHFW SODFHPHQW							
7RWDO GHEW							
3HUNLQV VWXGHQW ORDQV							
'HSRVLWV							
&RPSHQVDWHG DEVHQFHV							
/HVV FXUUHQW SRUWLRQ ORQJ WHUP OLDELOLWLHV							
/RQJ WHUP OLDELOLWLHV							

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1RWHV WR)LQDQFLDO 6WD

-XQH DQG

1RWH ± 1RQFLXDUELHOQW L/HV1(H[WO3XHGQLVQLJRQ &LRDQEWLOQLQWXHG

,Q)HEUXDU\ WKH 8QLYHUVLW\ RUIHJFHQLSWDO ERQGV 6HULHV
ERQGV EHDU LQWHUHVW UDWHV UDQJLQJ IURP -XQH DQG KHUH
-XQH 7KH SURFHHGVEH XVHG WR SD\ WKH 6HULH
ERQGV DQG SD\ LVVXDQFH FRVWV 7KH DFWXDO SURFHHGV

1RWH ± 1RQFXUUHQW /LDELOLWLHV 1HW 3HQVLRQ /LDELOLW\ &RQWLQXHG

7KH IROORZLQJ HYHQWV FRQVWLWXWH DQ HYHQW RI GHIDXOW XQGHU WKH 7UXVW $

D)DLOXUH WR SD\ LQWHUHVW RQ DQ\ %RQGV ZKHQ LW EHFRPHV GXH

E)DLOXUH WR SD\ WKH SULQFLSDO RI DQ\ %RQG ZKHQ LW EHFRPHV GXH DQG SD\DEOH ZKHWKHU DW PDWXULW\ RU IRU UHGHPSWLRQ

F)DLOXUH WR SHUIRUP RU REVHUYH DQ\ RWKHU FRYHQDQW FRQWDLQHG LQ WKH %RQGV RU WKH 7UXVW $JUHHPHQW ZKLFK IDLOXUH VKDOO KDYH FRQWLQXHG IRU D SHULRG RI GD\V DIWHU ZULWWHQ JLYHQ E\ WKH 7UXVWHH RU WKH KROGHUV RI SULQFLSDO DPRXQW WKH ERQGV WKHQ RXWVWDQGLQJ

,Q -XQH WKH 8QLYHUVLW\ LVVXHG *HQHUDO 5HFHLSWV %RQGV 6HULHV $ 1$ LQ WKH SULQFLSDO DPRXQW RI 7KH 6HULHV 5HFHLSWV ZHUH LVVXHG DV IL[HG UDWH ERQGV PDWXULQJ ,Q WKH UDWHV RI WUDQVDFWLRQ ZDV WKH 3XQFK WKH SURFHH WKH ERQGV ZHUH XVHG WR ILQDQFH D FRQVWUXFWLRQ SURJUDP FRQWDLQV D SURYLVLRQ WKDW LQ DQ HYHQW RI GHIDXOW WKH RXWVWDQGLQJ GHEW DPRXQW DQG SD\DEOH

,QWHUHVW H[SHQVH RQ LQGHEWHGQHVV IRU WKH \HDUV HQGHG -X DQG UHVSHFWLYHO\ WKHUH ZDV DQG QHW RI LQWHUHVW UHVSHFWLYHO\

7KH 8QLYHUVLW\ OHDVHV YDULRXV SLHFHV RI HTXLSPHQW XQGHU YDULRXV FDSLWDO OHDVHV LQ DPRXQWV UHSUHVHQWLQJ SD\PHQWV &DSLWDO OHDVH SD\PHQWV DUH EDVHG RQ &DSLWDO OHDVH GLUHFW SODFHPHQW DW ERWK -XQH DQG -XQH DQG DW -XQH 7KHVH OHDVHV YDU\LQJ PDWXULW\ GDWHV WKURXJK

1RWH ± 1RQFXUUHQW /LDELOLWLHV 1(H[FWO3XHGQLVQLJRQ &LRDQEWLOQLWXHG

3ULQFLSDO DQG LQWHUHVW SD\DEOH EHIRUH WKH QH[W ILYH \HDUV DQG LQ FUHDVH
DV IROORZV

3ULQFLSDO	,QWHUHVW	3ULQFLSDO	,QWHUHVW	3

7KH 8QLYHUVLW\ KDV YDULRXV OHDVHV IRU XVH RI VSDFH LQ UHPRWH FHQWHUV RIIL
FODVVURRP VSDFH ZKLFK DUH FRQVLGHUHG WR EH RSHUDWLQJ OHDVHV DQG VSHFLDO
)HQQ 7RZHU EXLOGLQJ IURP WKH &LW\ RI &OHYHODQG IRU RIILFH DQG FODVV URRP
UHQWDO H[SHQVH XQGHU RSHUDWLQJ OHDVHV GXULQJ WKH \HDUV HQGHG
WR DQG UHVSHFWLYHO\ 7KH OHDVHV KDYH YDULRXV WHUPLQDWLRQ GDWHV
WKURXJK

)XWXUH PLQLPXP RSHUDWLQJ OHDVH SD\PHQWV DV RI -XQH DUH DV IROORZV

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

0HPEHU FRQWULEXWLRQV DUH VHW DW 25& 7KH [LPXP VD¶XWKR HUPLSHG\
DQG PHPEHU FRQWULEXWLRQ UDWHV RQ FRYHUHG SD\UROO WR HDFK

7KH SODQV¶ HPSOR\HU FRQWULEXWLRQ UDWHV RQ WR RYHUDFK V\VW

7KH 8QLYHUVLW\¶V DFWXDO FRQWULEXWLRQV WR WKH SODQ

%HQHILW ± 3ODQ EHQHILWV DUH HVWDEOLVKHG XQGHU
6XEVWLWXWH 6HQDWH %LOO WKH LQWLHU PHPEHUV WR PDNH IXWXU

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

%HQHILW WHUPV SURYLGH IRU DQQXDO [illegible]
VXEVHTXHQW WR WKH HPSOR\HH¶V UHWLUHPHQW [illegible]
DQ DPRXQW EDVHG RQ WKH DYHUDJH SHUFHQWDJH [illegible]
SHUFHQW

1HW 3HQVLRQ /LDELOLW\ [illegible] DQG [illegible] WK[illegible]
8QLYHUVLW\ UHSRUWHG [illegible] OLDELOLW\ [illegible]
23(56)RU WKH \HDU HQGHG -XQH [illegible]
IRU WKH 6756 SODQ [illegible] 'HFHPEHU [illegible] WKH 23)(56 [illegible] WKH Q[illegible]
SHQVLRQ OLDELOLW\ ZDV PHDVXUHG DV [illegible] 'HFHPEHU WKH 67[illegible]
WKH 23(56 SODQ 7KH WRWDO SHQVLRQ [illegible]
GHWHUPLQHG E\ DQ DFWXDULDO YDOXDWLRQ [illegible]
DFWXDULDO YDOXDWLRQ ZDV [illegible] UROOHG IRUZD[illegible]
PHDVXUHPHQW GDWH¶V [illegible]
SURMHFWLRQ RI LWV ORQJ WHUP VK[illegible]
FRQWULEXWLRQV RI DOO SDUWLFLS[illegible] XQLWV DF[illegible]

)RU WKH \HDUV

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

1HW 23(% /LDELOLW\ $VVHW 'HIHUUHG ±DQ $VVHW -XQH 23(% ([SHQVH 8QLYH
UHSRUWHG D OLDELOLW\ LQ WKH DPRXQW RI 23(% 8QLYHUVLW\ RI 6756 23
-XQH WKH QHW 23(% DVVHW ZDV PHDVXUHG DV RI 6756 DQG
'HFHPEHU IRU WKH 23(56 SODQ)RU 23(% OLDELOLW\ WKH DVVHW
PHDVXUHG DV RI -XQH IRU 6756 DQG 'HFHPEHU IRU 23(56 SODQ 7KH WR
23(% OLDELOLW\ DVVHW XVHG WR FDOFXODWH WKH QHW 23(% OLDELOLW\ ZDV G
DFWXDULDO YDOXDWLRQ DV RI WKDW GDWH DQG 23(56 ZDV DFWXDULDOO\ 'HFHPEHU
DQG UHVSHFWLYHO\ UROOHG IRUZDUG WR WKH PHDVXUHPHQW GDWH
RI KHDOWK FDUH FRVW WUHQG DVVXPSWLRQV DQG SDUDPHWHUV DUH DFWXDULDOV GXU
IRU WKH GHILQHG EHQHILW KHDOWK FDUH SODQV

7\SLFDOO\ WKH 8QLYHUVLW\¶V SURSRUWLRQ RI WKH QHW 23(%
26 SO Q€0 U CE XW[P 0U H$! @ R VB L H S O 0L ˜

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

	'HIHUUHG 2XWIORZV RI 5HVRXUFHV	'HIHUUHG ,QIORZV RI 5HVRXUFHV
-XQH		
'LIIHUHQFHV EHWZHHQ H[SHFWHG DQG DFWXDO H[SHULHQFH		
&KDQJHV RI DVVXPSWLRQV		
1HW GLIIHUHQFH EHWZHHQ SURMHFWHG DQG DFWXDO HDUQLQJV RQ SHQVLRQ SODQ LQYHVWPHQWV		
&KDQJHV LQ SURSRUWLRQ DQG GLIIHUHQFHV EHWZHHQ 8QLYHUVLW\ FRQWULEXWLRQV DQG SURSRUWLRQDWH VKDUH RI FRQWULEXWLRQV		
8QLYHUVLW\ FRQWULEXWLRQV VXEVHTXHQW WR WKH PHDVXUHPHQW GDWH		
7RWDO		

	'HIHUUHG 2XWIORZV RI 5HVRXUFHV	'HIHUUHG ,QIORZV RI 5HVRXUFHV
-XQH		
'LIIHUHQFHV EHWZHHQ H[SHFWHG DQG DFWXDO H[SHULHQFH		
&KDQJHV RI DVVXPSWLRQV		
1HW GLIIHUHQFH EHWZHHQ SURMHFWHG DQG DFWXDO HDUQLQJV RQ SHQVLRQ SODQ LQYHVWPHQWV		
&KDQJHV LQ SURSRUWLRQ DQG GLIIHUHQFHV EHWZHHQ 8QLYHUVLW\		

$PRXQWV UHSRUWHG DV GHIHUUHG RXWIORZV RI UHVRXUFHV DQG GHIHUUHG LQIORZV RI UHVRXUFHV UH
23(% ZLOO EH UHFRJQL]HG LQ 23(% H[SHQVH DV IROORZV

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1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

,Q DGGLWLRQ WKH FRQWULEXWLRQV WKHEZLHOTXHEQHWLQWFRWKHGPHDVD
RI WKH QHW 23(% OLDELOLW\ DVVHW LQ WKH QH[W \HDU

$FWXDULDO $VVXPSWLRQV 7KH WRWDO SHQVLRQ OLDELOLW\ DQG 23(% OLDELOLW\
DFWXDULDO YDOXDWLRQ GHWHUPLQHG XVLQJ WKH IROORZLQJ DFWXDULDO
\HDU

	6756 DV RI -XQH	23(56 DV RI 'HFHPEHU
9DOXDWLRQ GDWH 3HQVLRQ	-XO\	'HFHPEHU
9DOXDWLRQ GDWH 23(%	-XQH	'HFHPEHU
$FWXDULDO FRVW PHWKRG	(QWU\ DJH QRUPDO	,QGLYLGX
&RVWV RI OLYLQJ	1RQH	SHUFHQW SHU
6DODU\ LQFUHDVHV LQFOXGLQJ LQIODWLRQ	SHUFHQW SHUFHQW	SHUFHQW SHUFHQW
,QIODWLRQ	SHUFHQW	SHUFHQW
,QYHVWPHQW UDWH RI UHWXUQ 3HQVLRQ	SHUFHQW QHW RI LQYHVWPHQW H[SHQVH LQFOXGLQJ LQIODWLRQ	LQYHVWPHQW H[SHQVH LQFOXGLQJ LQIODWLRQ
,QYHVWPHQW UDWH RI UHWXUQ 23(%	SHUFHQW QHW RI LQYHVWPHQW H[SHQVH LQFOXGLQJ LQIODWLRQ	SHUFHQW QHW RI LQYHVWPHQW H[SHQVH LQFOXGLQJ LQIODWLRQ
+HDOWK FDUH FRVW WUHQG UDWHV	W WR SHUFHQW LQLWLDO SHUFHQW XOWLPDWH	SHUFHQW LQLWLDO SHUFHQW XOWLPDWH
([SHULHQFH VWXG\ GDWH	3HULRG RI \HDUV HQGHG -XQH	3HUL

7€@pPSJ\KRO$EV

,QGLYLGXDO HQWU\ DJH HOHO[FW[QG fFWUV SHUFHQW SG •HkOHI0€€LW € L KP@ WHOHO
SHUFHQW SHUFHQW 'LVFRXQW UDWH H[SHULHQFH VWXG\ GDWH HVPHQW H[SHULHQFH @ƒRal ,Q\HDUV HQGHG -XQH RI UHWXU

7KH IROORZLQJ DUH WDEOHV RI WKH 8QLYHUVLW\¶V SULRU

1RWH ± (PSOR\PHQW %HQHILW 3ODQV &RQWLQXHG

3HQVLRQ 'LVFRXQW 5DWH 7KH SURMHFWLRQ RI FDVK IORZV XVHG WR GHWHUPLQH

WKDW HPSOR\HH FRQWULEXWLRQV ZLOO EH PDGH DW FRQWUDFW UDWH

FRQWULEXWLRQV ZLOO EH PDGH DW VWDWXWRULO\ UHTXLUHG UDWHV %DVHG RQ WKRVH D

HDFK SHQVLRQ SODQ V ILGXFLDU\ QHW SRVLWLRQ ZDV SURMHFWHG WR EH DYDLODEOH WR PDNH DOO SUR

EHQHILW SD\PHQWV RI FXUUHQW SODQ PHPEHUV 7KH ORQJ WHUP H

UDWH RI UHWXUQ RQ SHQVLRQ SODQ LQYHVWPHQWV ZDV DSSOLHG

WR GHWHUPLQH WKH WRWDO SHQVLRQ OLDELOLW\

OLDELOLWLHV IRU 675 6 HQGHG 7KH

GLVFRXQW UDWHV XVHG WR PHDVXUH WKH WRWDO SHQVLRQ OLDELOLW\

\HDUV HQGHG -XQH DQG 7KH GLVFRXQW UDWH XVHG

IRU 23(56 ZHUH SHUFHQW IRU SODQ \HDUV HQGHG 'HFHPEHU DQ

UHVSHFWLYHO\

23(% 'LVFRXQW 5DWH 7KH SURMHFWLRQ RI FDVK IORZV XVHG WR GHWHUPLQH WKH GLVFRXQW

WKDW HPSOR\HH FRQWULEXWLRQV ZLOO EH PDGH DW FRQWUDFW UDWH

FRQWULEXWLRQV ZLOO EH PDGH DW D

QHW SRVLWLRQ WR EH LQVXIILFLHQW WR PDNH DOO SURMHFWHG

LQDFWLYH HPSOR\HHV XVHG D EOHQGHG GLVFRXQW UDWH EDVHG RQ

SODQ LQYHVWPHQWV DQG D \HDU PXQLFLSDO ERQG LQGH[UDWH

SD\PHQWV WR GHWHUPLQH WKH WRWDO 23(% OLDELOLW\ DVVHW

STRS-OPEB Discount Rate: 7KH GLVFRXQW UDWH XVHG WR PHDVXUH WKH WRWDO

ZHUH SHUFHQW IRU WKH SODQ \HDUV HQGHG -XQH UHVSHFWLYHO\

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± (PSOR\PHH 3HQVLRQ &RQWULEXWLRQV &RQWLQXHG

$W 'HFHPEHU WKH ORQJ WHUP H[SHFWHG UDWH RI UHWXUQ RQ DVVHWV DSSOLHG WR SURMHFWHG FRVWV WKURXJK WKH HQG RI WKH ZDUUDQW\ SHULRG

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± (PSOR\PHH %HQHILW &RVWV &RQWLQXHG

6HQVLWLYLW\ RI WKH 1HW 3HQVLRQ /LDELOLW\ 5HDVRQDEO\ SRVVLEOH &KDQJHV LQ
SUHVHQWV WKH QHW SHQVLRQ OLDELOLW\ RI WKH &RPSDQ\ XQGHU GLIIHUHQW GLVFRXQW UDWH OLDELOLWLHV ZHUH HVWLPDWHG ZKHQ 8QLYHUVLW\¶V QH

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± (PSOR\PHH 3HQVLRQ &RQWULEXWLRQV &RQWLQXHG

6HQVLWLYLW\ RI WKH QHW 23(% OLDELOLW\ WR FKDQJHV LQ NH\ DVVXPSWLRQV
7KH IROORZLQJ WDEOH VKRZV KRZ WKH 23(% OLDELOLW\ DVVHW RI WKH 8Q

&/(9(/$1' 67$7(81,9(56,7<

1RWHV WR)LQDQFLDO 6WD
-XQH DQG

1RWH ± (PSOR\PHQW %HQHILWV &RQWLQXHG

(OLJLEOH HPSOR\HHV WKDW IRUPHUO\ GDWH RI KLUH HOHFWLRQ DOWHUQDWLYH HOHFWLR
SDUWLFLSDWH LQ WKH 5$3 HPSOR\HU FRQWULEXWLRQV DUH UHTXL
EH LQ 6756 RU 23(56 DQG WR ZKLFK D SDUWLFLSDWLQJ HPSOR\HU LV D 5$3 HPSOR\
VKDUH RI UHWLUHPHQW FRQWULEXWLRQV DUH SDLG WR 2KLR 'HS
RI ,QVXUDQFH 7KH PDQGDWRU\ HPSOR\HU FRQWULEXWLRQV DUH VHQW WR
UHWLUHPHQW V\VWHP WR ZKLFK WKH HPSOR\HH ZRXOG RWKHUZLVH
LQGHSHQGHQW DFWXDULDO VWXG\ FRPPLVVLRQHG E\ 2KLR %RDUG RI 5HJHQWV
WR WKH 2KLR %RDUG RI 5HJHQWV

7KH 8QLYHUVLW\ LV UHTXLUHG WR FRQWULEXWH FRPSHQVDWLRQ IRU W
HPSOR\HHV SDUWLFLSDWLQJ LQ WKH

Note – Risk Management Continued

The University maintains a self insured [illegible] exposure is limited to claims incurred [illegible] individual. The changes in the [illegible] ended June and are summarized below

Medical claims are based upon estimates [illegible] experience, medic[illegible] analysis. Differences between the [illegible] as an operati[illegible]

The University participates in a [illegible] compensation premiums into the State [illegible] pays workers' compensation benefits to beneficiaries'

1RWH ± *UDQW &RQWLQJHQFLHV

7KH 8QLYHUVLW\ UHFHLYHV VLJQLILFDQW DVVLVWDQFH IURP QXPHURXV IHGHUDO DQG VWDWH
DJHQFLHV LQ WKH IRUP RI JUDQWV 7KH GLVEXUVHPHQW RI IXQGV UHFHLYHG XQGHU
UHTXLUHV FRPSOLDQFH ZLWK WHUPV DQG FRQGLWLRQV VSHFLILHG LQ WKH JUDQW DJUHHPHQWV
WR DXGLW E\ WKH JUDQWRU DJHQFLHV $Q\ GLVDOORZHG FODLPV FRXOG EHFRPH D
OLDELOLW\ RI WKH 8QLYHUVLW\ +RZHYHU LQ WKH RSLQLRQ RI
GLVDOORZHG FODLPV ZLOO QRW KDYH D VLJQLILFDQW HIIHFW RQ
8QLYHUVLW\ DW -XQH DQG

1RWH ± &RPSRQHQW 8QLWV

7KH)RXQGDWLRQ DQG WKH &RUSRUDWLRQ IRU WKH SXUSRVH RI
SXUSRVH RI SURYLGLQJ VXSSRUW WR WKH 8QLYHUVLW\ &RUSRUDWLRQ
IURP IHGHUDO LQFRPH WD[HV XQGHU 6HFWLRQ RI WKH ,QWHUQDO 5HYHQXH &RGH

7KH)RXQGDWLRQ DFWV SULPDULO\ DV D IXQG UDLVLQJ RUJDQL]DWLRQ
DYDLODEOH WR WKH 8QLYHUVLW\ IRU WKH SXUSRVH RI
SHUSHWXDWLQJ DQG FRQVLVWV RI EXVLQHVV OHDGHUV WKURXJKRXW
GRHV QRW FRQWURO WKH WLPLQJ RU DPRXQW RI UHFHLSWV IURP V

1RWH ± &RPSRQHQW 8QLWV &RQWLQXHG

7KH GRQRU UHVWULFWHG QRQ GRQDWHG DUH EDODQFHV

1RWH ± &RPSRQHQW 8QLWV &RQWLQXHG

1RWH ± &RPSRQHQW 8QLWV &RQWLQXHG

2Q $XJXVW WKQHL&RVUXSHRGU'DHWHR RSP5HQWH 5XH%RQGV LQ WKH SU
DPRXQW RI 7KH 6HULHV %RQGV HYHQDUHDQGV&XVWHDK FEJDW&KHL
3RUW $XWKRULW\ DW ZLWKG DUPDWHXEURQG RDQ$GXJDXFRXSRQ UDWH RI
SURFHHGV RI WKH ERQGV ZHUH LVVXHG WR UHVWDQGHGIXQG SDULSRFLSDO
WKH 6HULHV %RQGV SDUDQHUWDLQ FRVWWKH RI 6HULHV LVVXDQFH %RQGV

&RPSOHWH ILQDQFLDO VWDWHPHQWV IRU WKH &RPSRQHQW XQLW FDQ EH REWDLQHG IURP WKH 2IILFH RI %XV
$IIDLUV DQG)LQDQFH DW (XFOLG $YHQXH 5RRP $GPLQLVWUDWLRQ &HQWHU

5HTXLUHG 6XSSOHPHQWDO ,QIRU

Schedule of University's Proportionate Share of the Net OPEB Liability/(Asset)

Plan year end	OPERS December 31	STRS June 30	OPERS December 31	STRS June 30
University’s proportion of the Universities' collective net OPEB liability/(asset):				
As a percentage				
Amount	$ 50,651,274	$ (7,869,805)	$ 44,058,464	$ 19,278,426
University’s covered payroll	$ 53,932,003	$ 50,503,155	$ 57,194,215	$ 49,431,335
University’s proportional share of the collective OPEB liability/(asset) (amount), as a percentage of the University’s covered payroll	106.48%	-641.73%	129.81%	256.41%
Fiduciary net position as a percentage of the total OPEB liability /(asset)	46.33%	176.00%	54.14%	47.11%

Schedule of OPEB Contributions

	OPERS	STRS	OPERS	STRS

Changes in Benefit Terms. 7KHUH ZHUH QR VLJQLILFDQW FKDQJHV LQ EHQHILW WHUPV DIIHFWLQJ WKH 6756 DQG 23(56 SODQV IRU WKH SHULRG HQGHG -XQ

Changes in Assumptions.

6756 'XULQJ WKH SODQ \HDU HQGHG -XQH WR VHW WKH DVVXPSWLRQV IRU 67856 L7KH UHLQVWDWHPHQW U
WR SHUFHQW 7KH KHDOWK FDUH FRVW WUHQG UDWHV GHFUHDVHG LQLWLDOO\ DQG SHUFHQW WR X
LQLWLDO DQG SHUFHQW FRQWULEXWLRQ DQG XOWLPDWH UDWH EHWZHHQ WKH GLVFRXQW UDWH RI \HDUV SULQFLSDO EF
SHUFHQW WR WKH LQYHVWPHQW UDWH SHUFHQW

23(56 7KHUH ZHUH QR VLJQLILFDQW FKDQJHV LQ 23(56 DVVXPSWLRQV IRU WKH \HDUV HQGHG -XQH UHVSHFWLYHO\