UNIVERSITY of ALASKA

Many Traditions One Alaska

UNIVERSITY OF ALASKA

(A Component Unit of the State of Alaska)

Financial Statements

June 30, 2022 and 2021

(With Independent Auditors' Report Thereon)

University of Alaska
(A Component Unit of the State of Alaska)
Financial Statements
June 30, 2022 and 2021

Table of Contents

	Page
Management's Discussion and Analysis	1
Independent Auditors' Report	13
University of Alaska Statements of Net Position	17
University of Alaska Foundation Statements of Financial Position	18
University of Alaska Statements of Revenues, Expenses and Changes in Net Position	19
University of Alaska Foundation Statements of Activities	20
University of Alaska Statements of Cash Flows	22
Notes to Financial Statements	24
Required Supplemental Information	74

Introduction

The following discussion and analysis provide an overview of the financial position and activities of the University of Alaska (University) for the years ended June 30, 2022 (2022) and June 30, 2021 (2021), with selected comparative information for the year ended June 30, 2020 (2020). This discussion has been prepared by management and should be read in conjunction with the financial statements including the notes thereto, which follow this section.

Using the Financial Statements

The University's financial report includes the basic financial statements of the University and the financial statements of the University of Alaska Foundation (Foundation), a legally separate, nonprofit component unit. The three basic financial statements of the University are: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows. These statements are prepared in accordance with generally accepted accounting principles (Governmental Accounting Standards Board (GASB) pronouncements). The University is presented as a business-type activity. GASB Statement No. 35, *Basic Financial Statements—and Management's Discussion and Analysis—for Public Colleges and Universities,* establishes standards for external financial reporting for public colleges and universities and classifies resources into three net position categories – unrestricted, restricted, and net investment in capital assets.

The Foundation is presented as a component unit of the University in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The Foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented according to U.S. generally accepted accounting principles and Financial Accounting Standards Board (FASB) pronouncements.

The Foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the University. Resources managed by the Foundation and distributions made to the University are governed by the Foundation's Board of Trustees (operating independently and separately from the University's Board of Regents). The component unit status of the Foundation indicates that significant resources are held by the Foundation for the sole benefit of the University.

Statement of Net Position

The Statement of Net Position presents the financial position of the University at the end of the fiscal year and includes all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the University. The net position is one indicator of the financial condition of the University, while the change in net position is an indicator of whether the financial condition has improved or declined during the year.

A summarized comparison of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2022, 2021 and 2020 follows ($ in thousands):

	2022	Restated 2021	2020
Assets:			
Current Assets	$ 204,535	$ 213,561	$ 172,007
Other noncurrent assets	550,435	462,842	380,210
Capital assets, net of depreciation	1,532,814	1,602,239	1,658,433
Total assets	2,287,784	2,278,642	2,210,650
Deferred Outflow of Resources	29,603	45,852	41,335
Liabilities:			
Current liabilities	124,577	111,853	115,222
Noncurrent liabilities	467,889	552,545	550,432
Total liabilities	592,466	664,398	665,654
Deferred Inflow of Resources	174,848	41,552	15,522
Net position:			
Net investment in capital assets	1,238,700	1,292,038	1,335,188
Restricted – expendable	282,433	170,093	112,486
Restricted – nonexpendable	136,705	136,144	135,438
Unrestricted	(107,765)	20,269	(12,303)
Total net position	$ 1,550,073	$ 1,618,544	$ 1,570,809

Overall, total net position of the University decreased $68.5 million, or 4.2 percent. The unrestricted net position totaled negative $107.8 million at June 30, 2022, representing a decrease of $128 million over the prior year. The decrease in net position is primarily a result of negative investment earnings in investment and endowment funds, and COVID related expenditures as further shown in Note 7 of the financial statements. Without the pension liability and other post-employment liabilities, unrestricted net position would be $202.9 million. As of June 30, 2022, $152.4 million of the unrestricted net position was reserved for specific purposes, while $50.5 million was unreserved.

The University implemented GASB Statement No. 87, Leases in fiscal year 2022. This standard requires the recognition of certain right to use assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. As a result of the implementation, the right to use of leased assets, short term and long term lease liability, short term and long term lease receivable, deferred inflow of resources related to leases have been recognized in the statement of net position. More information is in Note 18 of the Notes to Financial Statements.

Deposits and investments totaled $430.2 million at June 30, 2022, as compared to $450.8 million at June 30, 2021. These funds consist of operating funds, endowment funds, and the Education Trust of Alaska. The decrease of $20.6 million primarily reflects the negative returns on investment fund and endowment fund. More information is in Note 2 of the Notes to Financial Statements.

Liabilities are categorized as either current liabilities or noncurrent liabilities on the Statement of Net Position. Current liabilities are those that are due or will likely be paid in the next fiscal year. They are primarily comprised of accounts payable, accrued payroll and other expenses, insurance and risk management payables, amounts due in the next year on debt, and student deposits.

Noncurrent liabilities are comprised mostly of the net pension liability totaling $180.1 million, and long-term debt of $281.8 million.

Total debt outstanding, which includes financed purchase, decreased from $308.4 million at June 30, 2021 to $294.6 million at June 30, 2022. The decrease was primarily due to paying down debt principal. More information is available in the *Capital and Debt Activities* section that follows.

Fiscal Year 2021 Comparisons (Statement of Net Position)

Significant comments about changes between 2020 and 2021 that were noted in fiscal year 2021 *Management's Discussion and Analysis* are summarized below:

The Statement of Net Position reflected an overall increase of 3 percent, or $47.7 million.

Total debt outstanding, which includes financed purchase, decreased from $321.5 million at June 30, 2020 to $308.4 million at June 30, 2021. The decrease was primarily due to paying down of debt principal.

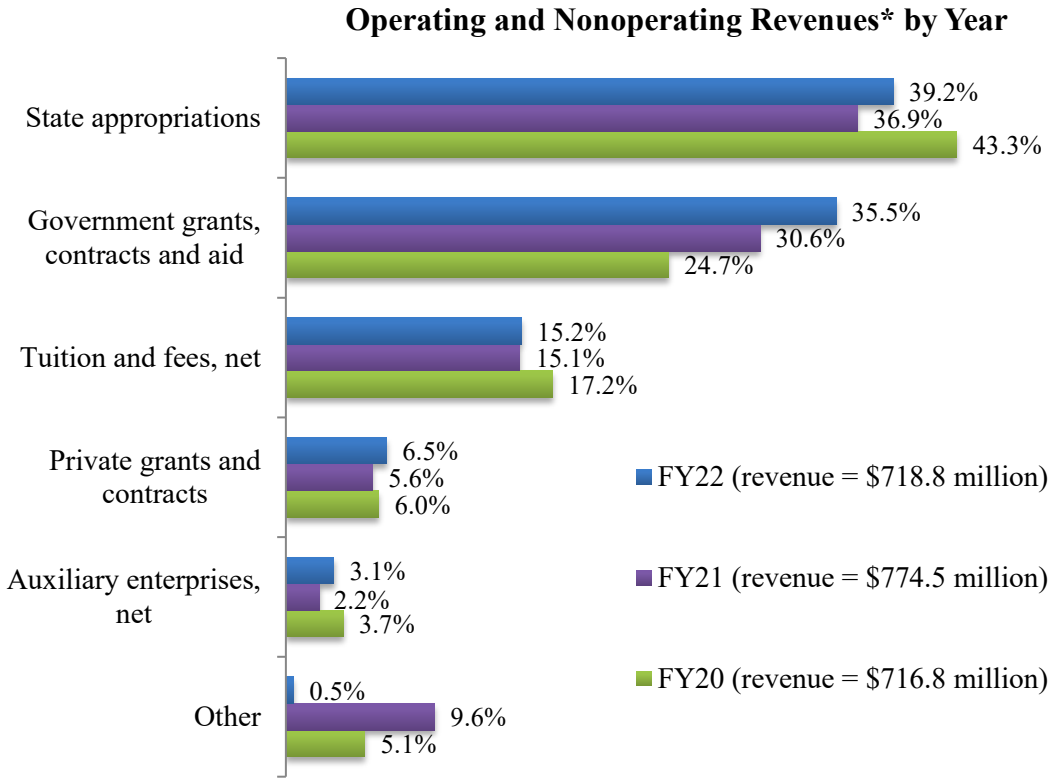
Unrestricted net position totaled negative $20.3 million at June 30, 2021, representing an increase of $32.6 million over the prior year. At June 30, 2021, $191.9 million was designated for specific purposes.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the results of operations for the University as a whole. Revenues, expenses and other changes in net position are reported as either operating or non-operating. Significant recurring sources of University revenue, such as state appropriations and investment earnings, are defined by GASB Statement No. 35 as non-operating.

A summarized comparison of the University's revenues, expenses and changes in net position for the years ended June 30, 2022, 2021 and 2020 follows ($ in thousands):

	2022	Restated 2021	2020
Operating revenues	$ 400,279	$ 367,935	$ 360,469
Operating expenses	(756,105)	(736,068)	(687,439)
Operating loss	(355,826)	(368,133)	(326,970)
Net nonoperating revenues	282,009	409,374	338,586
Gain (Loss) before other revenues, expenses, gains, or losses	(73,817)	41,241	11,616
Other revenues, expenses, gains or losses	5,346	6,494	12,862
Increase (decrease) in net position	(68,471)	47,735	24,478
Net position, beginning of year	1,618,544	1,570,809	1,546,331
Net position, end of year	$1,550,073	$1,618,544	$1,570,809



* Excludes capital appropriations, grants and contracts, and state on-behalf payments for pension

The fiscal year 2022 Statement of Revenues, Expenses and Changes in Net Position reflects a decrease in net position of 4.2 percent, or $68.5 million. Major changes in revenues and expenses in 2022 are described below.

State of Alaska general fund appropriations continue to be the single major source of revenue for the University, providing $281.5 million in 2022, as compared to $285.6 million in 2021. The appropriations are substantially for funding a portion of operations, and in some cases are targeted for special programs or initiatives. In addition, the state made on-behalf pension and post-

employment health care benefit payments of $15.7 million and $9.9 million directly to the Public Employees' Retirement System (PERS) and Teachers' Retirement System (TRS) defined benefit plans on behalf of the University for fiscal years 2022 and 2021, respectively. The state is paying the cost above the University's employer contribution rate to fully fund the plans at the actuarial computed rate and pay down the net pension liability. The University's employer contribution rates have been capped by state statutes at 22 percent and 12.56 percent of covered payroll for PERS and TRS, respectively.

Gross student tuition and fee revenue totaled $122.5 million in 2022 as compared to $133.5 million in 2021. The decrease was primarily due to a decrease in student enrollment as impacted by the pandemic.

Operating grant and contract revenue totaled $247.1 million for 2022, as compared to $220.1 million for 2021. The University receives grant funding from a diverse group of federal agencies, the State of Alaska, and private sponsors, including the University of Alaska Foundation. Generally, grant revenue is recorded when expenditures of the grant award occur, so the revenue reported in the financial statements reflects the amount expended in the applicable fiscal year. Grants provide funding primarily for research projects, instructional programs, public service activities and student aid.

Capital appropriations and capital grant and contract revenue decreased from $6.5 million in 2021 to $5.3 million in 2022. This revenue category consists mostly of funds appropriated from the State of Alaska's capital budget or from general obligation bonds issued by the State of Alaska for University capital projects. For a more detailed discussion on capital activity, see the *Capital and Debt Activities* section which follows.

Endowment investments produced a net loss of $7.4 million in 2022, as compared to net income of $47.3 million in 2021. Total return in 2022 from the consolidated endowment fund was negative 5 percent as compared to 32.32 percent in 2021. Endowment proceeds also includes yield from, or sales of, trust land, and mineral interests, the net proceeds of which are generally deposited to the land grant endowment trust fund.

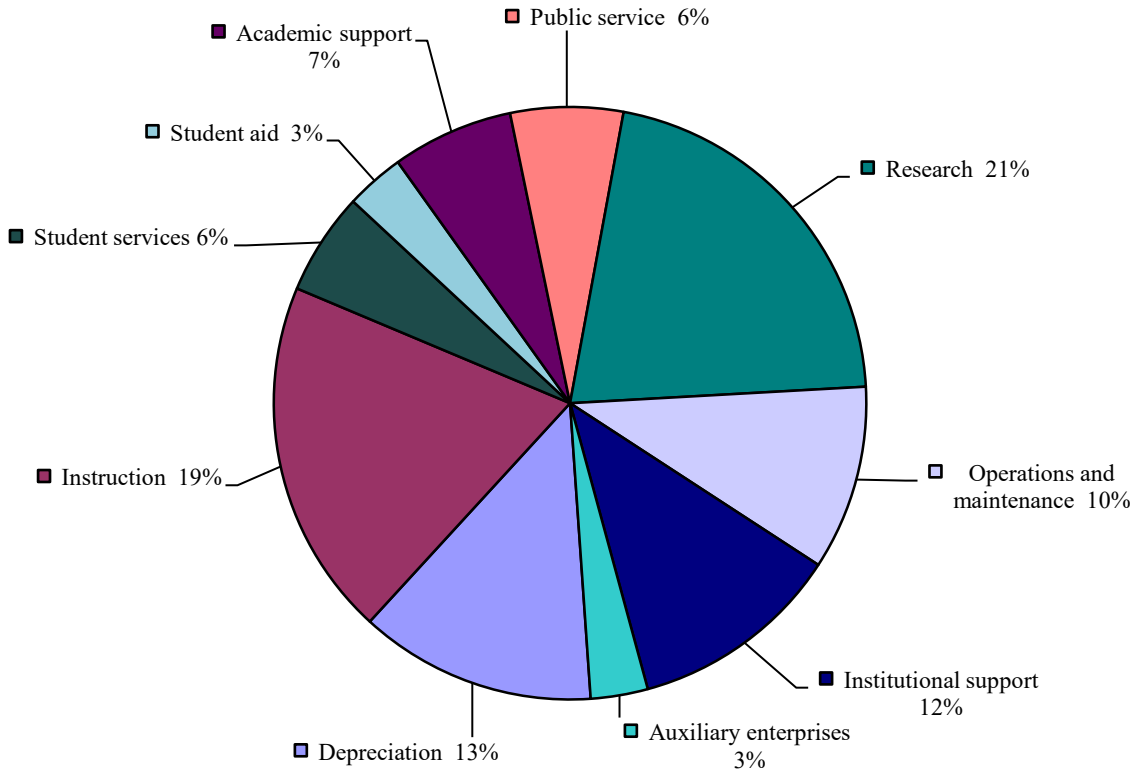
A comparison of operating expenses by functional and natural classification for selected fiscal years follows (see Note 19 of the financial statements for more information).

Operating Expenses*
Functional Classification ($ in millions)

	FY2022		FY2021		FY2020	
Instruction	$ 150.0	19.5%	$ 154.1	21.1%	$ 162.3	23.3%
Student Services	43.0	5.6%	40.8	5.6%	44.2	6.3%
Student aid	24.6	3.2%	23.6	3.2%	22.8	3.3%
Academic Support	50.9	6.6%	49.8	6.8%	51.6	7.4%
Student and Academic	268.5	34.9%	268.3	36.7%	280.9	40.3%
Research	163.0	21.2%	135.1	18.5%	122.0	17.5%
Public Service	47.2	6.1%	44.0	6.0%	37.0	5.3%
Auxiliary Enterprises	23.9	3.1%	20.7	2.8%	27.2	3.9%
Institutional Support	89.0	11.6%	100.2	13.7%	83.0	11.9%
Operations and Maintenance	77.4	10.2%	58.1	8.0%	59.4	8.6%
Depreciation	99.3	12.9%	103.5	14.3%	87.0	12.5%
Total Operating Expenses	$ 768.3	100.0%	$ 729.9	100.0%	$ 696.5	100.0%

* Does not include On-Behalf payments made by State of Alaska for pension

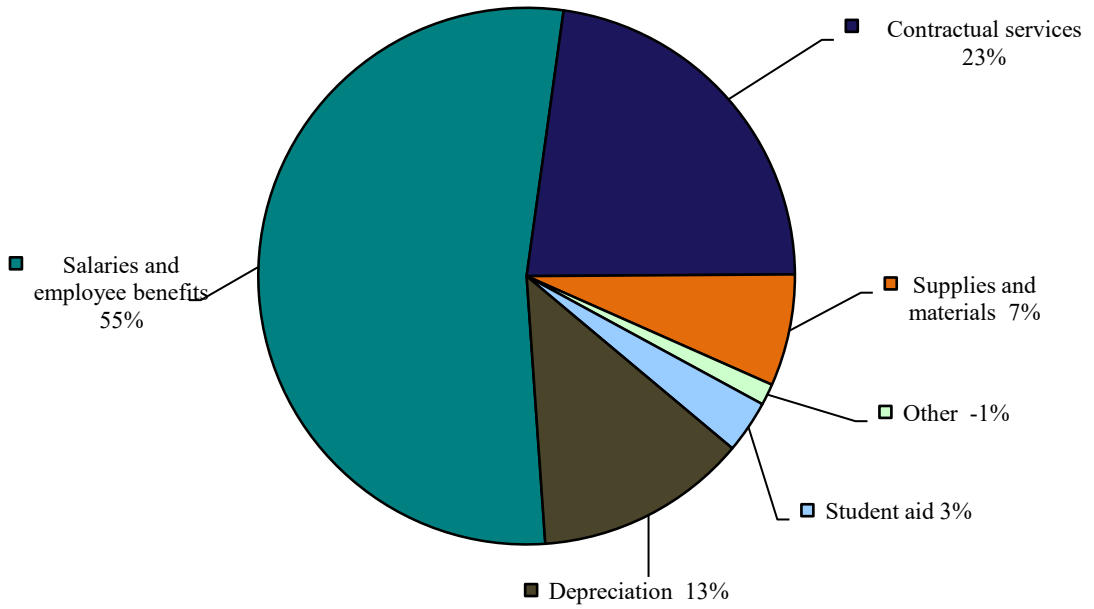
Fiscal Year 2022
Functional Classification



Operating Expenses* Natural Classification ($ in millions)	FY2022		FY2021		FY2020	
Compensation and benefits	$ 413.8	53.9%	$ 435.1	59.6%	$ 407.0	58.4%
Contractual services	176.1	22.9%	129.2	17.7%	137.3	19.7%
Materials	52.3	6.8%	36.6	5.0%	40.3	5.8%
Student aid	24.6	3.2%	23.6	3.2%	22.8	3.3%
Depreciation	99.3	12.9%	103.5	14.2%	87.0	12.5%
Other	2.2	0.3%	1.9	0.3%	2.1	0.3%
Total Operating Expenses	$ 768.3	100.0%	$ 729.9	100.0%	$ 696.5	100.0%

* Does not include On-Behalf payments made by State of Alaska for pension

Fiscal Year 2022 Natural Classification



Total operating expenses (excludes on-behalf payments to PERS and TRS made by State of Alaska) increased from $729.9 million in 2021 to $768.3 million in 2022. Expenditures related to the student and academic core mission, about 34.9 percent of all expenditures, showed a moderate $0.2 million increase in 2022. For the same period, expenditures for research increased $27.9 million reflecting increase in federal awards. Amounts expended for institutional support decreased $11.2 million primarily due to other post-employment benefits net assets adjustment resulting in reduction in expenditures. Amount expended for operation and maintenance increased $19.3 million due to higher cost of facility repair and the utility.

In looking at the change in operating expenses from a natural classification view, the compensation and benefits decreasing $21.3 million from $435.1 million in fiscal year 2021 to $413.8 million in fiscal year 2022 primarily due to other post-employment net assets adjustment resulting in reduction of expenditures. Contractual services increased $46.9 million from $129.2 million in fiscal year 2021 to $176.1 million in fiscal year 2022, and materials increased $15.7 million in fiscal year 2022. The overall increase in expenses is primarily due to the increase in research funding and the COVID assistance and relief funding from the federal and state governments.

GASB Statements 68 and 75 do not impact the cash flow and budget of the University, nor do they impact the nature and amount of pension benefits or pension funding provisions. Therefore, the following table shows operating expenditures without depreciation, with and without the effect of GASB 68 and 75 ($ in thousands).

For the Year Ended June 30, 2022	As Reported	Without GASB 68 &75	Difference
Instruction	$ 149,952	$ 156,896	$ (6,944)
Academic support	50,867	55,813	(4,946)
Research	162,964	169,547	(6,583)
Public service	47,222	49,877	(2,655)
Student services	42,958	45,917	(2,959)
Operations and maintenance	77,415	80,655	(3,240)
Institutional support	89,005	97,510	(8,505)
Auxiliary enterprises	23,942	24,586	(644)
Total Operating Expense	$ 644,325	$ 680,801	$ (36,476)

For the Year Ended June 30, 2021	As Reported	Without GASB 68 &75	Difference
Instruction	$ 154,121	$ 158,332	$ (4,211)
Academic support	49,808	50,946	(1,138)
Research	135,071	136,597	(1,526)
Public service	43,968	44,483	(515)
Student services	40,752	41,135	(383)
Operations and maintenance	58,100	58,473	(373)
Institutional support	100,159	101,086	(927)
Auxiliary enterprises	20,662	20,739	(77)
Total Operating Expense	$ 602,641	$ 611,791	$ (9,150)

For the Year Ended June 30, 2020	As Reported	Without GASB 68 &75	Difference
Instruction	$ 162,278	$ 169,517	$ (7,239)
Academic support	51,594	56,273	(4,679)
Research	121,981	127,782	(5,801)
Public service	37,025	39,238	(2,213)
Student services	44,161	46,786	(2,625)
Operations and maintenance	59,500	62,537	(3,037)
Institutional support	82,952	89,547	(6,595)
Auxiliary enterprises	27,190	27,796	(606)
Total Operating Expense	$ 586,681	$ 619,476	$ (32,795)

Without the adjustment to compensation and benefits required under GASB Statement 68 and 75, total operating expenses would have increased $69 million or eleven percent during fiscal year 2022 and would have decreased $7.7 million or one percent during fiscal year 2021.

A portion of University resources applied to student accounts for tuition, fees, or room and board are not reported as student aid expense, but are reported in the financial statements as a scholarship

allowance, directly offsetting student tuition and fee revenue or auxiliary revenue. Scholarship allowances totaled $13.1 million in 2022 and $16.9 million in 2021. In addition to the allowances, students participate in governmental financial aid loan programs. The loans are neither recorded as revenue or expense in the financial statements, but are recorded in the Statements of Cash Flows as direct lending receipts totaling $49.8 million and $53.1 million in 2022 and 2021, respectively.

Fiscal Year 2021 Comparisons (Statement of Revenues, Expenses and Changes in Net Position)

Significant comments about changes between 2020 and 2021 that were noted in fiscal year 2021 *Management's Discussion and Analysis* are summarized below:

The Statement of Revenues, Expenses and Changes in Net Position reflected an overall increase in net position of 3 percent, or $47.7 million.

Gross student tuition and fee revenue totaled $133.5 million in 2021 as compared to 143.4 million in 2020. The decrease was primarily due to decrease in overall student enrollment.

State of Alaska general fund appropriations continued to be the single major source of revenue for the University, providing $285.6 million in 2021, as compared to $310.4 million in 2020.

Total operating expenses increased 4.8 percent in 2021 as compared to 9.8 percent decrease in 2020. Expenditures related to the student and academic core mission, about 36.7 percent of all expenditures, showed a $12.6 million decrease in 2021. For the same period, expenditures for research increased $13.1 million. Amounts expended for public service increased $7 million, institutional support increased $17.2 million while expenditures for auxiliary enterprise decreased $6.5 million as compared to 2020.

Capital and Debt Activities

The University continued to invest in its facilities to meet program and state needs. Net capital assets decreased (excluding accumulated depreciation) $68.4 million in 2022, as compared with a decrease of $60.8 million in 2021 and decrease of $45 million in 2020. Capital activity primarily comprise replacement, renovation, code corrections and new construction of academic and research facilities, as well as investments in equipment and information technology. University did not receive any State capital appropriations for 2022 and 2021 for deferred maintenance.

Construction in progress at June 30, 2022 totaled $13.8 million, a decrease of $1.9 million from June 30, 2021. The decrease is due to no major construction activities during fiscal year 2023. More information about the debt is in Note 8 of the *Notes to Financial Statements.*

Debt and Capital Leases

At June 30, 2022, total debt outstanding, including financed purchase, totaled $294.6 million. The University traditionally issues general revenue bond tax-exempt debt, and secures the repayment via a master trust indenture with a broad pledge of university receipts.

In July 2020, the University issued General Revenue Refunding Bonds 2020 Series W with a par amount of $55,080,000, and a 12-year term. Average annual debt service is $5.3 million. The bonds refunded General Revenue Bonds 2009 Series P, 2011 Series Q and 2012 Series R. The economic gain from the refunding was $416,557 in present value.

In previous years, other bonds were issued to finance construction of student residences at three campuses, the West Ridge Research Building, student recreation centers, a research facility to house the International Arctic Research Center, the acquisition and renovation of several properties adjacent to or near the University's campuses, additions to the University's self-operated power, heat, water and telephone utility systems in Fairbanks, purchase of the University Center Building in Anchorage, deferred maintenance projects, and to refund previously issued general revenue bonds and other contractual obligations in order to realize debt service savings.

Moody's Investors Service upgraded the University of Alaska's lease revenue bonds to Baa2 from Baa3, affirmed the rating of Baa1 on the general revenue bonds, and revised the outlook from negative to positive in May 2022. Standard and Poor's affirmed the A+ rating on the general revenue bonds and revised the outlook to stable from negative in March 2022.

The University has traditionally utilized tax exempt financings to provide for its capital needs or to facilitate systematic renewals. Working capital is available to provide interim cash flow financing for facilities intended to be funded with general revenue bond proceeds or other debt arrangements.

Capital Activities – Looking Ahead and Subsequent to Year End

For fiscal year 2022, the University did not receive any capital appropriation from the State of Alaska for deferred maintenance.

For fiscal year 2023, the University received $27.7 million for deferred maintenance, $2.5 million for University of Alaska Fairbanks alternative energy research, $20 million for student information technology system modernization, and $2 million for fishery, seafood and maritime programs from State of Alaska. The University also received $94.4 million federal grant for Seward Sikuliaq Facility.

Other Economic and Financial Conditions

The following is a description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations of the University.

The fiscal year 2023 State operating appropriation of $296.8 million to the University increased by $15.3 million, or 5.4 percent, from fiscal year 2022. The additional state funding will be used for important strategic investments and fixed cost increases.

The University is currently preparing its Fiscal Year 2024 budget, which is expected to be presented to the Board of Regents at their meeting in November 2022. In constructing its budget, the University anticipates requesting an operating appropriation from the State in the amount of the Fiscal Year 2023 appropriation plus an increment for investments to meet State needs, fixed costs and critical needs.

Independent Auditors' Report

INDEPENDENT AUDITORS' REPORT

Board of Regents
University of Alaska
Fairbanks, Alaska

Report on the Audits of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities, and the discretely presented component unit of University of Alaska, a component of the State of Alaska as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise University of Alaska's basic financial statements as listed in the table of contents.

In our opinion based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, and the discretely presented component unit of University of Alaska as of June 30, 2022 and 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of University of Alaska and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statement of the University of Alaska Foundation were not audited in accordance with Government Auditing Standards.

We did not audit the financial statements of University of Alaska Foundation Consolidated Endowment Fund, LP, a component of the University of Alaska Foundation, which statements reflect total assets, net assets, and revenues constituting 84 percent, 100 percent, and 76 percent, respectively, of the 2022 assets, net position, and revenues of the Foundation, and 84 percent, 100 percent, and 69 percent of assets, net assets, and revenues of the 2021 assets, net assets, and revenues of the discretely presented component unit for the years then ended. 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 University of Alaska Foundation Consolidated Endowment Fund, LP, is based solely on the report of the other auditors.

CLA (CliftonLarsonAllen LLP) is an independent network member of CLA Global. See CLAglobal.com/disclaimer.

Emphasis of a Matter

As disclosed in Note 1, the University implemented the provisions of Governmental Accounting Standards Board Statement No. 87 – Leases. The Standard requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about University of Alaska‘s ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors’ Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of University of Alaska‘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 University of Alaska's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2022 on our consideration of University of Alaska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of University of Alaska's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering University of Alaska's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

St. Louis, Missouri
November 3, 2022

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Net Position
June 30, 2022 and 2021
(in thousands)

Assets	2022	**Restated** 2021
Current assets:		
Cash and cash equivalents	$ 50,207	$ 74,159
Short-term investments	54,049	21,908
Accounts receivable, net	90,800	108,244
Lease receivable	2,893	3,406
Inventories	4,988	4,617
Other assets	1,598	1,227
Total current assets	204,535	213,561
Noncurrent assets:		
Restricted cash and cash equivalents	1,901	1,932
Notes receivable	344	475
Lease receivable	18,031	20,605
Endowment investments	172,490	187,322
Land Grant Trust property and other endowment assets	63,779	64,136
Long-term investments	106,800	116,454
Education Trust of Alaska investments	44,798	49,064
Net other post employment benefit asset	142,292	22,854
Capital assets, net	1,532,814	1,602,239
Total noncurrent assets	2,083,249	2,065,081
Total assets	2,287,784	2,278,642
Deferred Outflows of Resources	29,603	45,852
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	25,646	20,331
Accrued payroll and annual leave	39,890	41,940
Unearned revenue and deposits	31,325	22,560
Long-term debt - current portion	12,772	12,366
Leases - current portion	959	979
Insurance and risk management	13,985	13,677
Total current liabilities	124,577	111,853
Noncurrent liabilities:		
Long-term debt	281,788	295,984
Lease liability	2,757	3,716
Net pension liability	180,102	249,151
Other noncurrent liabilities	3,242	3,694
Total noncurrent liabilities	467,889	552,545
Total liabilities	592,466	664,398
Deferred Inflows of Resources	174,848	41,552
Net Position		
Net investment in capital assets	1,238,700	1,292,038
Restricted:		
Expendable	282,433	170,093
Nonexpendable	136,705	136,144
Unrestricted	(107,765)	20,269
Total net position	$ 1,550,073	$ 1,618,544

UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Financial Position
June 30, 2022 and 2021
(in thousands)

Assets	2022	2021
Cash and cash equivalents	$ 10,269	$ 8,181
Interest and dividends receivable	317	259
Contributions receivable, net	6,709	5,783
Other receivables	1,338	929
Other investments	63,048	64,373
Pooled endowment funds	438,927	476,706
Remainder trusts receivable	757	3,245
Bequests receivable	5,276	5,000
Other assets	282	311
Total assets	$ 526,923	$ 564,787
Liabilities		
Due to University of Alaska	$ 3,852	$ 6,215
Payable for Unsettled Trades	191	4,500
Other liabilities	517	1,372
Split interest obligations	199	232
Term endowment liability	1,000	1,000
Assets held in trust for University of Alaska	169,021	184,180
Total liabilities	174,780	197,499
Net Assets		
Without Donor Restrictions	27,455	32,111
With Donor Restrictions	324,688	335,177
Total net assets	352,143	367,288
Total liabilities and net assets	$ 526,923	$ 564,787

The accompanying notes are an integral part of the financial statements.

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2022 and 2021
(in thousands)

	2022	Restated 2021
Operating revenues		
Student tuition and fees	$ 122,511	$ 133,460
less scholarship allowances	(13,119)	(16,890)
	109,392	116,570
Federal grants and contracts	175,507	153,457
State and local grants and contracts	25,187	22,963
Private grants and contracts	46,374	43,674
Sales and services, educational departments	3,940	3,309
Auxiliary enterprises, net of scholarship allowances of $1,652 in 2022 and $1,430 in 2021	22,395	17,013
Other	17,484	10,949
Total operating revenues	400,279	367,935
Operating expenses		
Instruction	149,952	154,121
Academic support	50,867	49,808
Research	162,964	135,071
Public service	47,222	43,968
Student services	42,958	40,752
Operations and maintenance	77,415	58,100
Institutional support	89,005	100,159
Student aid	24,629	23,571
Auxiliary enterprises	23,942	20,662
Depreciation	99,297	103,464
State on-behalf payments - pension and OPEB	(12,146)	6,392
Total operating expenses	756,105	736,068
Operating loss	(355,826)	(368,133)
Nonoperating revenues (expenses)		
State appropriations	281,476	285,582
State on-behalf contributions - pension and OPEB	(12,146)	6,392
Investment earnings	(9,761)	13,290
Endowment proceeds and investment income	(7,396)	47,313
Federal student financial aid	15,466	17,063
Interest expense	(11,471)	(4,204)
COVID related funding	38,738	43,332
Other nonoperating revenue (expenses)	(12,897)	606
Net nonoperating revenues	282,009	409,374
Income (loss) before other revenues	(73,817)	41,241
Capital appropriations, grants and contracts	5,346	6,494
Increase (decrease) in net position	(68,471)	47,735
Net Position		
Net position - beginning of year	1,618,544	1,570,809
Net position - end of year	$ 1,550,073	$ 1,618,544

UNIVERSITY OF ALASKA FOUNDATION
(A Component Unit of the University of Alaska)
Statements of Activities
For the years ended June 30, 2022 and 2021
(in thousands)

	2022		
Revenues, gains and other support	Without Donor Restrictions	With Donor Restrictions	Total
Contributions	$ 26	$ 18,690	$ 18,716
Contributed Nonfinancial Assets	39	-	39
Investment income	889	623	1,512
Net realized and unrealized investment gains	(3,935)	(14,024)	(17,959)
Other revenues	(3)	23	20
Actuarial adjustment of remainder trust obligations	-	(39)	(39)
Administrative assessments	3,163	(2,340)	823
Support from University of Alaska	778	-	778
Net assets released from restriction	13,422	(13,422)	-
Total revenues, gains and other support	14,379	(10,489)	3,890
Expenses and distributions			
Program Expenses	14,458	-	14,458
Management and General	1,238	-	1,238
Fundraising	3,339	-	3,339
Total expenses and distributions	19,035	-	19,035
Increase in net assets	(4,656)	(10,489)	(15,145)
Net assets, beginning of year	32,111	335,177	367,288
Net assets, end of year	$ 27,455	$ 324,688	$ 352,143

	2021		
	Without Donor Restrictions	With Donor Restrictions	Total
$	94	32,804	$ 32,898
	1,017	608	1,625
	4,996	62,208	67,204
	-	25	25
	-	714	714
	3,059	(2,294)	765
	922	-	922
	12,456	(12,456)	-
	22,544	81,609	104,153
	13,833	-	13,833
	1,364	-	1,364
	3,237	-	3,237
	18,434	-	18,434
	4,110	81,609	85,719
	28,001	253,568	281,569
$	32,111	$ 335,177	$ 367,288

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021
(in thousands)

	2022	Restated 2021
Cash flows from operating activities		
Student tuition and fees, net	$ 106,295	$ 109,990
Grants and contracts	274,770	199,357
Sales and services, educational departments	3,940	3,309
Sales and services, auxiliary enterprises	23,498	17,411
Other operating receipts	17,453	10,949
Payments to employees for salaries and benefits	(452,206)	(442,975)
Payments to suppliers	(225,320)	(165,498)
Payments to students for financial aid	(30,369)	(28,312)
Direct lending receipts	49,843	53,113
Direct lending payments	(44,079)	(48,363)
Net cash used for operating activities	(276,175)	(291,019)
Cash flows from noncapital financing activities		
State appropriations	280,773	285,559
Other revenue	37,973	54,618
Net cash provided by noncapital financing activities	318,746	340,177
Cash flows from capital and related financing activities		
Capital appropriations, grants and contracts	6,822	2,245
Proceeds from issuance of capital debt	-	55,080
Purchases of capital assets	(29,848)	(40,075)
Principal paid on capital debt	(14,272)	(65,017)
Principal received on leases	3,437	3,006
Interest paid on capital debt	(11,763)	(14,760)
Net cash used for capital and related financing activities	(45,624)	(59,521)
Cash flows from investing activities		
Proceeds from sales and maturities of investments	85,763	136,690
Purchases of investments	(115,943)	(112,600)
Interest received on investments	7,116	6,839
Interest and other sales receipts from endowment assets	2,134	2,481
Net cash provided (used) by investing activities	(20,930)	33,410
Net increase (decrease) in cash and cash equivalents	(23,983)	23,047
Cash and cash equivalents, beginning of the year	76,091	53,044
Cash and cash equivalents, end of the year	$ 52,108	$ 76,091
Cash and cash equivalents (current)	$ 50,207	$ 74,159
Restricted cash and cash equivalents (noncurrent)	1,901	1,932
Total cash and cash equivalents	$ 52,108	$ 76,091

UNIVERSITY OF ALASKA
(A Component Unit of the State of Alaska)
Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021
(in thousands)

Reconciliation of operating loss to net cash used for operating activities:	2022	**Restated** 2021
Operating loss	$ (355,826)	$ (368,133)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization expense	99,297	103,464
State on-behalf payments - pension & OPEB	(12,146)	6,392
Pension expense (credit)	15,705	8,834
OPEB expense (credit)	(52,179)	(17,983)
Direct lending receipts	49,843	53,113
Direct lending payments	(44,079)	(48,363)
Changes in assets and liabilities that provided (used) cash:		
Accounts receivable, net	13,834	(31,208)
Other assets	(370)	(319)
Inventories	(371)	848
Accounts payable and accrued expenses	6,431	1,519
Accrued payroll	(1,002)	(217)
Unearned revenue, deposits from students and others	5,428	(451)
Accrued annual leave	(1,048)	1,603
Insurance and risk management	308	(118)
Net cash used for operating activities	$ (276,175)	$ (291,019)

Schedule of Noncash Investing, Noncapital Financing, Capital and Related Financing Activities:

For the Year Ended June 30, 2022

Decrease in accounts payable for capital assets is $0.2 million.

For the Year Ended June 30, 2021

Decrease in accounts payable for capital assets is $0.8 million.

1. Organization and Summary of Significant Accounting Policies

Organization:

The University of Alaska (University) is a constitutionally created corporation of the State of Alaska which is authorized to hold title to real and personal property and to issue debt in its own name. The University is the only public institution of higher learning in Alaska. It is a statewide system that consists of three universities located in Anchorage, Fairbanks, and Juneau, with each having extended satellite colleges and sites throughout Alaska. The University is governed by an eleven-member Board of Regents, which is appointed by the governor.

The University is a component unit of the State of Alaska for purposes of financial reporting. As an instrumentality of the State of Alaska, the University is exempt from federal income tax under Internal Revenue Code Section 115, except for unrelated business activities as covered under Internal Revenue Code Sections 511 to 514. The University of Alaska Foundation (Foundation) is a legally separate, nonprofit component unit of the University. The Foundation was established to solicit donations and to hold and manage such assets for the exclusive benefit of the University. Resources managed by the Foundation and distributions made to the University are governed by the Foundation's Board of Trustees. Governmental Accounting Standards Board (GASB) Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and Statement No. 61, *The Financial Reporting Entity: Omnibus*, an amendment of GASB Statement No. 14 and No. 34, require the University to include the Foundation as part of its financial statements to better report resources benefiting the University. The Foundation's financial statements include the Statement of Financial Position and the Statement of Activities and these statements are presented in their original audited format according to Financial Accounting Standards Board (FASB) pronouncements.

The Nanook Innovation Corporation (NIC) and Seawolf Holdings, LLC were established in fiscal year 2013 for the purpose of supporting the University of Alaska through commercialization of University generated intellectual properties. The Nanook Innovation Corporation operates as a non-profit organization under Internal Revenue Code 501(c) (3). The Board of Directors of NIC are appointed by the University. Seawolf Holdings, LLC is a limited liability company with the University being the sole member of the LLC. The Nanook Innovation Corporation and Seawolf Holdings, LLC are considered component units of the University according to GASB Statements No. 39 and No. 61. These entities had no significant activity in fiscal years 2022 and 2021.

Basis of Presentation:

The University's financial statements are presented in accordance with U.S. generally accepted accounting principles as prescribed in applicable pronouncements of the Governmental Accounting Standards Board. The Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows report the financial activities of the University of Alaska.

Deferred outflows of resources represent the consumption of net assets by the University in one period that is applicable to future periods.

Deferred inflows of resources represent the acquisition of net assets in one period that is applicable to future periods.

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources and is required to be classified for accounting and reporting purposes into the following categories:

- *Unrestricted net position* is the net amount of 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 may be designated for specific purposes by the Board of Regents or may otherwise be limited by contractual agreements with outside parties.

- *Restricted net position***:**

  Expendable net position is subject to externally-imposed restrictions that may or will be met by actions of the University and/or that expire with the passage of time.

  Non-expendable net position is subject to externally-imposed restrictions requiring that they be maintained permanently by the University.

- *Net investment in capital assets* – Capital assets, net of accumulated depreciation, reduced by outstanding balances of debt attributable to the acquisition, construction or improvement of those assets.

When both restricted and unrestricted funds are available for the same purpose, the University's policy is to use the restricted funds first, unless it is not advisable based on all the facts and circumstances.

In preparing the financial statements, management is required to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the statement of net position. Actual results could differ from those estimates. The more significant accounting and reporting policies and estimates applied in the preparation of the accompanying financial statements are discussed below.

Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared on the economic resources measurement focus and the accrual basis of accounting. All significant intra-university transactions have been eliminated. The University reports as a business type activity, as defined by GASB Statement No. 35. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

Cash and Cash Equivalents

All highly liquid investments, not held for long-term investment, with original maturities of three months or less are reported as cash and cash equivalents.

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market. Inventories consist of parts, fuel, books, shop stock, etc.

Investments

Investments are stated at fair value. Investments in fixed income and equity marketable securities are stated at fair value based on quoted market prices. Investments in private partnership interests are valued using the most current information provided by the general partner. Valuations provided by the general partners and investment

managers are evaluated by management and management believes such values are reasonable at June 30, 2022 and 2021. When, in the opinion of management, there has been a permanent impairment in the asset value, the asset is written down to its fair value. Income from other investments is recognized when received.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position. Investments also include securities with contractual cash flows such as asset-backed securities, collateralized mortgage obligations and commercial mortgage-backed securities. The value, liquidity and related income of these securities are sensitive to economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market's perception of the issuers and changes in interest rates. Long-term investments include those restricted by outside parties as to withdrawal or use for other than current operations, or are designated for expenditure in the acquisition or construction of noncurrent assets or held with an intent not to be used for operations within the next fiscal year.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. Accounts receivable also include amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the University's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

Capital Assets

Capital assets are stated at cost when purchased and at acquisition value when donated. Equipment with a unit value of $5,000 or greater is capitalized. Buildings and infrastructure with a unit value of $100,000 or greater are capitalized. Other capital assets with a unit value of $50,000 or greater are capitalized. Certain land and other resources acquired through land grants and donated museum collections for which fair value at date of acquisition was not determinable are reported at zero basis in the financial statements.

Depreciation is computed on a straight-line basis with useful lives ranging from 12 to 50 years for building and building components, 10 to 35 years for infrastructure and other improvements, 5 to 40 years for equipment and 20 years for library books. Museum collections are not depreciated because they are preserved and cared for and have an extraordinarily long useful life.

Endowments

The University's endowments consist of the Land Grant Endowment Trust Fund (LGETF) established pursuant to the 1929 federal land grant legislation, its related Inflation Proofing Fund (IPF) and several smaller "other" endowments. Alaska Statute 14.40.400 provides that the net income from the sale or use of grant lands must be held in trust in perpetuity.

Alaska Statute 14.40.400 provides the Board of Regents with authority to manage the LGETF under the total return principles which intends to preserve and maintain the purchasing power of the endowment principal. The investable resources of the LGETF and IPF are invested in the Consolidated Endowment Fund, a unitized investment fund. The annual spending allowance is currently based on 4.5 percent of a five-year moving average of the invested balance. Withdrawals of net earnings appreciation to meet the spending allowance are limited to the unexpended accumulated net earnings balance of the preceding December 31.

Operating Activities

The University's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Statement No. 35, including state appropriations and investment earnings.

Non-operating Revenues

Non-operating revenues and expenses include revenues and expenses from activities that have the characteristics of non-exchange transactions, such as gifts and contributions, and other revenue and expense sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That use Proprietary Fund Accounting*, and GASB Statement No. 34, such as state appropriations and investment income.

Scholarship Allowances

Student tuition and fee revenues and certain other revenues from students are reported net of scholarship allowances in the statement of revenues, expenses and changes in net position. Scholarship allowances are the difference between the stated charge for tuition and room and board provided by the University and the amount paid by the student and/or third parties making payments on the students' behalf.

Lapse of State Appropriations

Alaska Statutes provide that unexpended balances of one-year appropriations will lapse on June 30 of the fiscal year of the appropriation; however, the University receipts in excess of expenditures may be expended by the University in the next fiscal year. University receipts include student tuition and fees, donations, sales, rentals, facilities and administrative cost recovery, investment earnings, auxiliary and restricted revenues. The unexpended balances of capital appropriations generally lapse after five years or upon determination that the funds are no longer necessary for the project.

Compensated Absences

Employee vacation time is accrued at year-end for financial statement purposes. Compensated absence costs are included in benefits expense in the statement of revenue, expenses, and changes in net position.

Pensions

For purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plans of the Public Employees Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/deductions from these pension plans' fiduciary net positon have been determined on the same basis they are reported by PERS and TRS defined benefit plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

For purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the defined benefit plans of the Public Employees Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/deductions from these OPEB plans' fiduciary net position have been determined on the same basis they are reported by PERS and TRS defined benefit plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenue

Unearned revenue consists of tuition, fees and certain auxiliary funds received prior to the end of the fiscal year, but related to the subsequent accounting period. It also consists of funds received from grants, sponsors and State capital appropriations which have not yet been earned. State capital appropriations are subject to five year lapse provisions per State Statute. The period may be extended.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affected the reported amounts of assets, liabilities, net position and disclosures regarding contingent assets and liabilities. Actual results could differ from those estimates.

GASB Statement No. 87, Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The University adopted the requirement guidance effective July 1, 2021, and has applied the provision of this standard to the earliest comparable period. Beginning net position for Net investment in capital assets was increased $393,596 for the implementation of GASB Statement No. 87. Beginning net position for Restricted Expendable was increased $173,069 for the implementation of GASB No. 87. Beginning net position for Unrestricted was decreased $173,069 for the implementation of GASB No. 87.

Newly Issued Accounting Standards

In May 2020, the GASB issued GASB Statement No. 96, *Subscription Based Information Technology Arrangements.* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022 (fiscal year 2023).

In June 2022, the GASB issued GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. This Statement defines accounting changes, prescribes the accounting and financial reporting for each type of accounting changes, and error corrections, required disclosures in notes to the financial statements of descriptive information about accounting changes and error corrections.

In June 2022, the GASB issued GASB Statement No. 101, *Compensated Absences.* This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023 (fiscal year 2025), and all reporting periods thereafter.

The University is currently evaluating the impact the adoption of these GASB Statements will have on its financial statements.

2. Deposits and Investments

Deposits and investments at June 30, 2022 were as follows ($ in thousands):

Investment Type	Operating	Endowment	Education Trust of Alaska	Total
Cash and Deposits	$ 26,284	$ 274	$ -	$ 26,558
Money Market Mutual Funds	88,982	23,892	297	113,171
Equities:				
Domestic	-	7,579	-	7,579
International	-	133	-	133
Domestic Funds	-	-	16,039	16,039
Global Funds	-	43,657	-	43,657
Exchange Traded Funds	-	3,923	-	3,923
Debt-related:				
Corporate	51,683	-	-	51,683
Corporate - International	13,597	-	-	13,597
Federal Agency	10,455	-	-	10,455
U.S. Treasuries	20,225	6,494	-	26,719
U.S. Treasuries Fund	-	-	590	590
International Government	1,731	-	-	1,731
Fixed Income Funds	-	-	27,872	27,872
Depository Receipts	-	255	-	255
Alternative Investments:				
Private Equity Fund	-	45,407	-	45,407
Global Private Equity Fund	-	2,968	-	2,968
Hedge Funds	-	39,532	-	39,532
Other	-	(1,624)	-	(1,624)
	$ 212,957	$ 172,490	$ 44,798	$ 430,245

Deposits and investments at June 30, 2021 were as follows ($ in thousands):

Investment Type	Operating	Endowment	Education Trust of Alaska	Total
Cash and Deposits	$ 24,631	$ 276	$ -	$ 24,907
Money Market Mutual Funds	82,187	42,832	403	125,422
Equities:				
Domestic	-	10,479	-	10,479
International	-	491	-	491
Domestic Funds	-	-	18,663	18,663
Global Funds	-	32,574	-	32,574
Exchange Traded Funds	-	5,068	-	5,068
Debt-related:				
Corporate	68,097	-	-	68,097
Corporate - International	5,103	-	-	5,103
Federal Agency	12,099	-	-	12,099
U.S. Treasuries	14,397	11,063	-	25,460
U.S. Treasuries Fund	-	-	677	677
International Government	7,939	-	-	7,939
Fixed Income Funds	-	-	29,321	29,321
Depository Receipts	-	403	-	403
Alternative Investments:				
Private Equity Fund	-	40,521	-	40,521
Global Private Equity Fund	-	3,152	-	3,152
Hedge Funds	-	42,093	-	42,093
Other	-	(1,630)	-	(1,630)
	$ 214,453	$ 187,322	$ 49,064	$ 450,839

Operating funds consist of cash on hand (including overnight repurchase agreements), time deposits, money market funds and bonds. Alaska Statutes and Board of Regents' policy provide the University with broad authority to invest funds. Generally, operating funds are invested according to the University's liquidity needs. The University has operating fund investment guidelines, which set forth the objectives, structure and acceptable investments for the University's operating funds.

The University's operating funds include investments in high quality bonds, including U.S. treasuries, federal agency bonds, international government bonds, and corporate bonds. These investments are held under the name of the University. Bonds comprise the largest portion of operating funds. The University has a $7.1 million compensating balance with its checking and depository financial institution.

General revenue bond reserves totaled $0 million, at June 30, 2022 and 2021, respectively. During fiscal year 2021, the general revenue bond reserve requirement was eliminated and the reserve account was liquidated according to the supplemental trust indenture of General Revenue Refunding Bond Series W.

Endowment investments totaling $172.5 million and $187.3 million in 2022 and 2021, respectively, primarily consisted of $169.0 million and $184.2 million in investable resources of the University's Land Grant Endowment Trust Fund at June 30, 2022 and 2021, respectively, and are invested in a Consolidated Endowment Fund managed by the Foundation. These resources are combined with the Foundation's pooled endowment funds for investment purposes, and managed by the University of Alaska Foundation Consolidated Endowment Fund in accordance with an investment policy approved by the Board of Regents. A copy of the Consolidated Endowment Fund's investment policy and guidelines may be obtained by contacting the University Controller's Office.

Education Trust of Alaska investments include the operating funds and retained earnings of the college savings program, established pursuant to state statute by the Board of Regents and Internal Revenue Code Section 529. Program investments are in mutual funds of T. Rowe Price Associates, Inc., the program manager. See Note 4 for further information.

Certain funds held in trust for the benefit of the University are not included in the financial statements as the University has only limited control over their administration. These funds are in the custody of independent fiduciaries and at June 30, 2022 and 2021 had an estimated fair value of $2.5 million and $5.8 million, respectively.

At June 30, 2022, the University has $243.2 million in investments that are not actively traded, compared to $277.1 million at June 30, 2021. These investment instruments may contain elements of both credit and market risk. Such risks include, but are not limited to, limited liquidity, absence of regulatory oversight, dependency upon key individuals, and nondisclosure of portfolio composition. Because these investments are not actively traded, their estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for such investment existed. Such difference could be material.

Fair Value

The University measures and records its investments using fair value measurement requirements established by the Statement. The University categorized the inputs to valuation techniques used to measure fair value into the following three levels.

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

Level 2 - Quoted prices that are observable for an asset or liability, either directly or indirectly.

Level 3 - Pricing inputs are unobservable for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, a financial instrument's level within the fair value hierarchy is based on the lowest level.

At June 30, 2022, the University has the following recurring fair value measurements ($ in thousands):

		Fair Value Measurement Using		
	Total	Level 1	Level 2	Level 3
Money market mutual funds	$ 90,883	$ 90,883	$ -	$ -
Debt-related:				
U.S. Treasuries	20,225	20,225	-	-
U.S. Treasuries fund	589	589	-	-
Fixed income mutual funds	27,872	27,872	-	-
Corporate	51,683	-	51,683	-
International corporate	13,597	-	13,597	-
Federal agency	10,455	-	10,455	-
International government	1,732	-	1,732	-
Endowment Fund	40,425	-	40,425	-
Equity:				
Domestic mutual funds	16,039	16,039	-	-
Total investments by fair value	$ 273,500	$ 155,608	$ 117,892	$ -

At June 30, 2021, the University has the following recurring fair value measurements ($ in thousands):

		Fair Value Measurement Using		
	Total	Level 1	Level 2	Level 3
Money market mutual funds	$ 83,834	$ 83,834	$ -	$ -
Debt-related:				
U.S. Treasuries	14,399	14,399	-	-
U.S. Treasuries fund	677	677	-	-
Fixed income mutual funds	29,321	29,321	-	-
Corporate	68,097	-	68,097	-
International corporate	5,103	-	5,103	-
Federal agency	12,099	-	12,099	-
International government	7,939	-	7,939	-
Endowment Fund	68,991	-	68,991	-
Equity:				
Domestic mutual funds	18,663	18,663	-	-
Total investments by fair value	$ 309,123	$ 146,894	$ 162,229	$ -

Money market mutual funds, U.S. treasuries, fixed income and domestic mutual funds are valued using quoted prices for identical securities in the active markets. Debt securities are valued using quoted prices for similar securities in active markets. Endowment funds of $169.0 million are investments in the Consolidated Endowment Fund which consisted of various type of investments that are valued using level 1, level 2 inputs and net assets value measurement in the separate University of Alaska Foundation financial statements. Of the total endowment, $40.4 million has a level 2 measurement input and $128.6 million are measured at net asset value.

Disclosures for deposits and investments are presented according to GASB Statement No. 40, *Deposit and Investment Risk Disclosures.* Accordingly, the following information addresses various risk categories for University deposits and investments and the investment policies for managing that risk.

Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The operating fund investment guidelines require that at the time of purchase, short term instruments must be rated A2 or better by Standard & Poor's (S & P), and P2 or better by Moody's. Long term instruments must be rated BBB- or better by S & P and Baa3 or better by Moody's. The average credit rating of any separately managed account portfolio shall be no lower than A by S & P and A2 by Moody's.

At June 30, 2022, investments consisted of securities with credit quality ratings issued by nationally recognized statistical rating organizations as follows ($ in thousands):

Investment Type	Rating	Operating	Endowment	Education Trust of Alaska
Money Market Mutual Funds	Aaa/AAA	$ 87,116	$ 3,469	$ -
Money Market Mutual Funds	Not Rated	1,866	20,423	297
Debt-related:				
Corporate	Aa1/AA+	3,136	-	-
Corporate	Aa3/AA-	2,662	-	-
Corporate - International	Aa3/AA-	5,159	-	-
Corporate	A1/A+	5,100	-	-
Corporate - International	A1/A+	5,036	-	-
Corporate	A2/A	2,444	-	-
Corporate - International	A2/A	1,810	-	-
Corporate	A3/A-	17,787	-	-
Corporate	Baa1/BBB+	15,221	-	-
Corporate - International	Baa1/BBB+	1,591	-	-
Corporate	Baa2/BBB	5,332	-	-
Federal Agency	Aa1/AA+	10,455	-	-
U.S. Treasuries	Aa1/AA+	20,225	-	-
U.S. Treasuries fund	Not Rated	-	-	589
International Government	A1/A+	1,732	-	-
Fixed income funds	Not Rated	-	-	27,872
Hedge Funds	Not Rated	-	39,532	-

Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributed to the magnitude of the University's investment in a single issuer. GASB Statement No. 40 requires disclosure when the amount invested with a single issuer exceeds five percent of the University's total investments. At June 30, 2022, the University did not have any material concentrations of credit risk.

The operating fund investment guidelines limits the aggregate fair value of the portfolio that may be invested in any combination of instruments from one issuer to four percent and callable bonds are limited to 15 percent of the total portfolio value, with exceptions for federally backed securities.

Custodial Credit Risk:

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository institution, the University will not be able to recover deposits or will not be able to recover collateral securities in the possession of an outside party. For investments, custodial credit risk is the risk that, in the event of failure of the counterparty

to a transaction, the University will not be able to recover the value of investment or collateral securities in the possession of an outside party.

At June 30, 2022, the University does not have custodial credit risk. Deposits of the University are covered by Federal Depository Insurance or securities pledged by the University's counterparty to its repurchase agreement held at a third party bank. The collateral is held in the name of the University and at June 30, 2022, provided $3.7 million coverage in excess of deposits.

Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University uses the modified duration measurement to evaluate interest rate risk. Modified duration measures a debt investment's exposure to fair value changes arising from changing interest rates. For example, a modified duration of 2 means that for a rise in interest rates of one percent, the value of the security would decrease two percent. The University does not have a policy regarding interest rate risk.

At June 30, 2022, the University had the following debt investments and corresponding duration ($ in thousands):

Investment Type	Operating	Endowment	Education Trust of	Duration
Debt-related:				
International Government	$ 1,721	$ -	$ -	7.87
Federal Agency	10,433	-	-	3.06
Corporate	64,824	-	-	4.71
Unite States Treasury	20,137	-	-	4.00

Hedge funds totaling $39.5 million are exposed to interest rate risk; however, underlying fund data is not available to measure the interest rate risk.

Foreign Currency Risk:

Foreign currency risk is the risk that changes in exchange rates could have an adverse effect on an investment's value for investments denominated in foreign currencies. GASB Statement No. 40 requires disclosure of value in U.S. dollars by foreign currency denomination and investment type. At June 30, 2022, the University's foreign currency risk consisted of the Consolidated Endowment Fund's investments with fair value of $31,033 in British Pounds, $1.6 million in Canadian Dollars, $ 1.2 million in Euros, and $0.3 million in Swedish Krone.

3. Accounts Receivable

Accounts receivable consisted of the following at June 30, 2022 and 2021 ($ in thousands):

June 30, 2022	Gross	Allowance	Net
Student tuition and fees	$ 21,405	$ (2,959)	$ 18,446
Sponsored programs	66,399	(467)	65,932
Auxiliary services and other operating activities	1,324	(127)	1,197
Capital appropriations, grants and contracts	5,225	-	5,225
Total	$ 94,353	$ (3,553)	$ 90,800

June 30, 2021	Gross	Allowance	Net
Student tuition and fees	$ 21,269	$ (2,580)	$ 18,689
Sponsored programs	84,946	(424)	84,522
Auxiliary services and other operating activities	1,285	(102)	1,183
Capital appropriations, grants and contracts	3,850	-	3,850
Total	$ 111,350	$ (3,106)	$ 108,244

4. Education Trust of Alaska

Assets held in trust include operating funds and retained earnings of the Education Trust of Alaska (Trust). The Trust was established pursuant to State of Alaska statute on April 20, 2001 by the Board of Regents to facilitate administration of the State's Internal Revenue Code (IRC) Section 529 College Savings Program. The program is a nationally marketed college savings program developed in accordance with IRC Section 529. Participant account balances of approximately $9.3 billion and $11.0 billion at June 30, 2022 and 2021, respectively, are not included in the financial statements. Separately audited Trust financial statements are available upon request from the University of Alaska Controller's office.

Assets of the Trust are invested in various mutual funds at the direction of T. Rowe Price Associates, Inc., the program manager. The net assets of the Trust, which include a reserve for University of Alaska (UA) Tuition Value Guarantees, are available for payment of program administrative costs, benefits and other purposes of the Trust. Based on an actuarial study, management estimates reserve requirements for the UA Tuition Value Guarantees to be approximately $2.6 million and $3.1 million at June 30, 2022 and 2021, respectively. The Tuition Value Guarantees are recorded in the Statements of Net Position in Other Noncurrent Liabilities.

5. Endowments, Land Grant Trust Property and Other Endowment Assets

The University's endowments consist of the Land Grant Endowment Trust Fund (LGETF) established pursuant to the 1929 federal land grant legislation, its related Inflation Proofing Fund (IPF) and several smaller "other" endowments.

Land Grant Trust (LGT) property and other assets consist of real property and timber and other rights. By Acts of Congress in 1915 and 1929, approximately 110,000 acres of land was granted to the territory of Alaska to be held in trust for the benefit of the University. The lands were managed by the territory, and later the State of Alaska. In accordance with a 1982 agreement, the lands were subsequently transferred to the Board of Regents,

as trustee. In 1982 and 1988 certain state lands including timber and other rights were transferred to the trust as replacement for lands disposed of or adversely affected during the period of administration by the territory and the state. These lands and property interests were recorded at their fair value as of the date of transfer. The net proceeds from land sales and other rights are deposited in the Land Grant Endowment Trust Fund as described in the Endowment section in Note 1 above. At June 30, 2022 and 2021, approximately 79,173 and 80,295 acres, respectively, were held in trust at zero basis because fair value at the time of transfer was not determinable.

A summary of the endowments and Land Grant Trust property for the years ended June 30, 2022 and 2021 follows ($ in thousands):

June 30, 2022	LGETF and LGT	IPF	Other	Total
Assets:				
Notes receivable	$ 319	$ -	$ -	$ 319
Investments	146,338	25,341	811	172,490
Property, rights and other assets	29,800	32,544	1,435	63,779
Total assets	176,457	57,885	2,246	236,588
Liabilities (interfund)	5,128	13,833	-	18,961
Net Position:				
Unrestricted		44,052	65	44,117
Restricted - Expendable	36,805	-	-	36,805
Restricted - Non-expendable:				
Endowment corpus	107,143	-	2,181	109,324
Land Grant Trust Property	27,381	-		27,381
Total non-expendable	134,524	-	2,181	136,705
Total net position	$ 171,329	$ 44,052	$ 2,246	$ 217,627

June 30, 2021	LGETF and LGT	IPF	Other	Total
Assets:				
Notes receivable	$ 402	$ -	$ -	$ 402
Investments	159,374	27,138	811	187,323
Property, rights and other assets	30,157	32,544	1,435	64,136
Total assets	189,933	59,682	2,246	251,861
Liabilities (interfund)	4,883	14,652	-	19,535
Net Position:				
Unrestricted	-	45,030	65	45,095
Restricted - Expendable	51,086	-	-	51,086
Restricted - Non-expendable:				
Endowment corpus	106,112	-	2,181	108,293
Land Grant Trust Property	27,851	-	-	27,851
Total non-expendable	133,963	-	2,181	136,144
Total net position	$ 185,049	$ 45,030	$ 2,246	$ 232,325

6. Capital Assets

A summary of capital assets follows ($ in thousands):

	Balance July 1, 2021	Additions	Retirements	Balance June 30, 2022
Capital assets not depreciated:				
Land	$ 38,924	$ 6	$ -	$ 38,930
Construction in progress	15,725	17,665	19,550	13,840
Museum collection	7,399	-	-	7,399
Other capital assets:				
Buildings	2,391,641	15,739	-	2,407,380
Infrastructure	170,791	3,538	-	174,329
Equipment and vessel	432,539	12,361	6,071	438,829
Library books	55,034	376	1,918	53,492
Leasehold improvements	25,424	-	-	25,424
Right to Use Assets and Other improvements	42,565	256	-	42,821
Total	3,180,042	49,941	27,539	3,202,444
Less accumulated depreciation:				
Buildings	1,152,990	71,141	-	1,224,131
Infrastructure	78,541	5,546	-	84,087
Equipment and vessel	249,773	18,716	5,553	262,936
Library books	48,333	913	1,918	47,328
Leasehold improvements	18,090	772	-	18,862
Right to Use Assets and Other improvements	30,076	2,210	-	32,286
Total accumulated depreciation	1,577,803	99,298	7,471	1,669,630
Capital assets, net	$ 1,602,239	$ (49,357)	$ 20,068	$ 1,532,814

	Balance July 1, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets not depreciated:				
Land	$ 38,922	$ 2	$ -	$ 38,924
Construction in progress	293,147	26,176	303,598	15,725
Museum collection	7,376	23	-	7,399
Other capital assets:				
Buildings	2,089,921	301,781	61	2,391,641
Infrastructure	169,060	1,731	-	170,791
Equipment and vessel	421,210	15,409	4,080	432,539
Library books	56,373	346	1,685	55,034
Leasehold improvements	25,424	-	-	25,424
Right to Use Assets and Other improvements	36,846	5,719	-	42,565
Total	3,138,279	351,187	309,424	3,180,042
Less accumulated depreciation:				
Buildings	1,079,524	73,527	61	1,152,990
Infrastructure	72,336	6,205	-	78,541
Equipment and vessel	233,627	19,907	3,761	249,773
Library books	49,112	906	1,685	48,333
Leasehold improvements	17,318	772	-	18,090
Right to Use Assets and Other improvements	27,929	2,147	-	30,076
Total accumulated depreciation	1,479,846	103,464	5,507	1,577,803
Capital assets, net	$ 1,658,433	$ 247,723	$ 303,917	$ 1,602,239

As of June 30, 2015 the University completed construction of the research vessel named “Sikuliaq”. Title of the vessel is retained by the National Science Foundation, the agency that funded the construction, but managed and operated by the University of Alaska Fairbanks, as part of the U.S. academic research fleet. It is used by scientists in the United States and international oceanographic community through the University-National Oceanographic Laboratory System. The vessel was put into unrestricted science operations in fiscal year 2015 and is home ported in Alaska at the Seward Marine Center. The cost of the vessel is $194.3 million and is included in the Equipment and Vessel category in the preceding table. Accumulated depreciation at June 30, 2022, was $66.1 million with a current year depreciation expense of $8.4 million.

7. Unrestricted and Restricted Net Position

At June 30, unrestricted and restricted net position included the following ($ in thousands):

Unrestricted:	2022	2021
Auxiliaries	$ 8,341	$ 8,985
Strategic reserve fund	12,576	12,564
Working capital fund	(9,401)	2,000
Working capital advances	(1,452)	(856)
Service centers	(4,237)	9,300
Debt service funds	24,074	30,817
Renewal and replacement funds	32,873	32,902
Quasi-endowment funds	44,117	45,095
Employee benefit funds	17,108	27,331
Endowment earnings	15,111	13,034
Encumbrances	10,245	10,884
Cumulative net pension expense (GASB 68)	(244,079)	(222,230)
Cumulative net OPEB expense (GASB 75)	(66,616)	(5,501)
Matching funds	3,116	578
Unreserved	50,459	55,366
Total unrestricted net position	$ (107,765)	$ 20,269

Restricted:	2022	2021
Expendable:		
Restricted funds	$ 4,493	$ 4,750
Student loan funds	170	170
Education Trust of Alaska	40,057	45,310
Capital project funds	58,615	45,923
Debt service funds	1	-
Endowment accumulated earnings	36,805	51,086
Net OPEB assets	142,292	22,854
Nonexpendable:		
Endowment corpus	109,324	108,293
Land Grant Trust property	27,381	27,851
Total restricted net position	$ 419,138	$ 306,237

Unrestricted net position includes non-lapsing University receipts of $59.6 million at June 30, 2022. Non-lapsing University receipts of $76.1 million from fiscal year 2021 were fully expended in fiscal year 2022.

At June 30, 2022 and 2021, the following funds were pledged as collateral for the University's general revenue bonds, as calculated under the terms of the 1992 General Revenue Bonds Trust Indenture ($ in thousands).

	Pledged Revenue	
	June 30, 2022	June 30, 2021
Auxiliaries	$ 8,341	$ 8,985
Service centers	(4,237)	9,300
Matching funds	3,116	578
Encumbrances	10,245	10,884
Unreserved	50,459	56,241
Total	$ 67,924	$ 85,988

8. Long-term Debt

Debt service requirements at June 30, 2022 were as follows ($ in thousands):

	Bonds			Notes From Direct Borrowings		
Years Ending June 30,	Principal	Interest	Total	Principal	Interest	Total
2023	$ 11,405	$ 10,045	$ 21,450	$ 981	$ 519	$ 1,500
2024	11,585	9,614	21,199	1,021	479	1,500
2025	11,995	9,159	21,154	1,062	438	1,500
2026	12,480	8,672	21,152	1,105	395	1,500
2027	12,985	8,170	21,155	1,149	351	1,500
2028-2032	64,435	33,264	97,699	6,479	1,021	7,500
2033-2037	49,895	20,778	70,673	1,457	43	1,500
2038-2042	44,010	9,231	53,241	-	-	-
2043-2045	21,705	1,418	23,123	-	-	-
Total	$ 240,495	$ 110,351	$ 350,846	$ 13,254	$ 3,246	$ 16,500

Long-term debt consisted of the following at June 30, 2022 and 2021 ($ in thousands):

	2022	2021
General revenue bonds payable: 2.00% to 5.25% general revenue bonds due serially to 2045, secured by a pledge of unrestricted current fund revenue generated from tuition, fees, recovery of facilities and administrative costs, sales and services of educational departments, miscellaneous receipts and auxiliaries.	$ 240,495	$ 251,460
Direct Borrowing - Note payable: 3.985% note payable to the Alaska Housing Finance Corporation (AHFC) to finance Anchorage campus housing, due semiannually through February 2033. Some of the financed housing property is held as collateral of the note.	13,254	14,198
	$ 253,749	$ 265,658
Premium on bonds	18,732	19,983
Long-term debt	$ 272,481	$ 285,641

The General Revenue Bonds trust indenture contains a provision that in an event of default, the bond trustee will enforce all rights of the bond owners or the trustee, including the right to require the University to receive and collect revenues, and declaring all outstanding bonds are due and payable.

The direct borrowing note payable to AHFC and the equipment financing notes contain a provision that in an event of default, the unpaid balance of these loans may become due and payable immediately.

In fiscal year 2022 and 2021, the state reimbursed the University $1.2 million and $1.2 million respectively, for debt service on certain projects originally financed in the 2002 Series K general revenue bonds. The reimbursement is included in state appropriations. Subject to annual appropriation, future annual state reimbursement for the projects are approximately $1.2 million.

Under the terms of the 1992 General Revenue Bonds Trust Indenture, the University was required to maintain a reserve account with a trustee at an amount equal to one-half of the maximum annual general revenue bond debt service. The 2013 Series S bonds' supplemental indenture includes a springing amendment that eliminates the reserve fund once all bonds issued prior to 2013 Series S have been retired. The balance in the reserve account at June 30, 2020 was $12.5 million. When 2020 Series W was issued in July 2020, the reserve requirement was eliminated and funds in the reserve account were liquidated.

For fiscal year 2022 and 2021, total interest expense is $11.5 million and $11.4 million, respectively. Total interest capitalized is $0 million.

9. Financed Purchase

In fiscal year 2013, the University entered into a long-term agreement with Community Properties of Alaska, Inc. (CPA), an Alaska non-profit corporation, to lease a new student dining facility on the University of Alaska Fairbanks Campus. CPA completed construction of the student dining facility in fiscal year 2014 using proceeds

from its Lease Revenue Bonds 2012. CPA is leasing the underlying land from the University. Security for the Lease Revenue Bonds 2012 is the University's lease payments to CPA, paid from dining and other university receipts. The University operates the facility. The University receives title to the facility when the bonds are fully paid off, which may be done at any time. This is recorded as financed purchase and included in long-term debt in the Statement of Net Position. The dining facility has a capitalized cost of $24.5 million and is included in capital assets with accumulated depreciation of $4.9 million.

The Indenture of Trust contains a provision that in the event of default, the trustee may foreclose the Leasehold Deed of Trust and enforce all rights of the owners of the bonds, including declaring all outstanding bonds and accrued interest shall be due and payable immediately.

The principal and interest payments under this financed purchase as of June 30, 2022 are as follows:

Years Ending June 30,	Principal	Interest	Total
2023	$ 1,382	$ (734)	$ 648
2024	1,384	(711)	$ 673
2025	1,382	(687)	$ 695
2026	1,382	(663)	$ 719
2027	1,379	(638)	$ 741
2028-2032	6,876	(2,786)	$ 4,090
2033-2037	6,850	(2,025)	$ 4,825
2038-2042	6,825	(1,126)	$ 5,699
2043-2045	4,164	(175)	$ 3,989
Total	$ 31,624	$ (9,545)	$ 22,079

10. Long-term Liabilities

Long-term liability activity was as follows ($ in thousands):

	Balance July 1, 2021	Additions	Reductions	Balance June 30, 2022	Balance due within one year
Long-term debt	308,350	755	14,545	294,560	12,772
Lease liability	4,695	-	979	3,716	959
Net pension liability	249,151	-	69,049	180,102	-
Net OPEB liability	-	-	-	-	-
Other noncurrent liabilities	3,694	48	500	3,242	-
Total	$ 565,890	$ 803	$ 85,073	$ 481,620	$ 13,731

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Balance due within one year
Long-term debt	321,491	4,651	17,792	308,350	12,366
Lease liability	-	4,695	-	4,695	979
Net pension liability	235,622	13,529	-	249,151	-
Net OPEB Liability	3,094	-	3,094	-	-
Other noncurrent liabilities	7,080	4	3,390	3,694	-
Total	$ 567,287	$ 22,879	$ 24,276	$ 565,890	$ 13,345

11. Capital Appropriations and Construction Commitments

Major construction projects of the University are funded primarily by State of Alaska appropriations and general obligation bonds, University general revenue bonds and federal grants. Unexpended and unbilled capital funds appropriated by the State of Alaska in prior years, which are not reflected as appropriation revenue or receivables on the University's books at June 30, 2022 and 2021, totaled $1.3 million and $3.4 million, respectively.

Construction commitments at June 30, 2022 aggregated $30.1 million. At June 30, 2022, the University had received $6.1 million from State of Alaska capital appropriations and other sources in advance of expenditures. The advances are included in unearned revenue and deposits.

12. Retirement Plans

Participation in one of the various retirement plans generally depends on when an employee was originally hired. Substantially all regular employees hired before July 1, 2006 participate in one of the following retirement plans:

- The State of Alaska Public Employees' Retirement System – Defined Benefit (PERS-DB), a cost-sharing, multiple-employer public employee retirement plan,

- The State of Alaska Teachers' Retirement System – Defined Benefit (TRS-DB), a cost-sharing, multiple-employer public employee retirement plan,

- The University of Alaska Optional Retirement Plan (ORP) Tier 1 or Tier 2, a single-employer defined contribution plan.

In addition, substantially all eligible employees participate in the University of Alaska Pension Plan, a supplemental single-employer defined contribution plan. Employees hired on or after July 1, 2006 have a choice to participate in the University of Alaska Retirement Program or the applicable state defined contribution plan. The University of Alaska Retirement Program consists of ORP (Tier 3) and the University of Alaska Pension Plan. However, certain staff hired July 1, 2015 and later are not eligible for the ORP. The State's defined contribution plans are the Public Employees' Retirement System – Defined Contribution (PERS-DC) or the Teachers' Retirement System-Defined Contribution (TRS-DC).

The University provides elective deferral options for employee contributions to deferred annuity plans in accordance with Internal Revenue Code sections 403(b) and 457(b), subject to eligibility criteria.

Each of the plans noted above are described in more detail in the sections that follow. None of the retirement systems or plans own any notes, bonds or other instruments of the University.

Actuarial Assumptions for State of Alaska PERS-DB and TRS-DB pension and OPEB plans

The total pension and OPEB liabilities for the June 30, 2021 measurement date were determined by actuarial valuations as of June 30, 2020, which were rolled forward to June 30, 2021. The actuarial valuations used the following actuarial assumptions:

Inflation rate	2.50% per year
Salary increases PERS-DB	For peace officer/firefighter, increases range from 7.75% to 2.75% based on service. For all others, increases range from 6.75% to 2.75% based on service.
Salary increases TRS-DB	Graded by service, from 6.75% to 2.75%
Investment rate of return	7.38% net of plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5% Post-65 medical: 5.4% grading down to 4.5% Prescription drug: 7.5% grading down to 4.5% Employee Group Waiver Plan (EGWP): 7.5% grading down to 4.5%
Participation in OPEB plans	100% of system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible 20% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible

Mortality for PERS-DB pension and OPEB plans: Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on

100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. For PERS DB pension plans, deaths are assumed to be occupational 75% of the time for peace officer/firefighters, 40% of the time for all others.

Mortality for TRS-DB pension and OPEB plans: Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. For the TRS DB pension plan, deaths are assumed to result from occupational causes 15% of the time.

The actuarial assumptions used in the June 30, 2020 actuarial valuations were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, with the following exceptions:

For both the pension and OPEB plans, the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from Plan assets.

For OPEB plans, in addition to the changes in assumptions regarding administrative expenses, the following assumption changes have been made since the prior valuation: 1. Per capita claims costs were updated to reflect recent experience, and 2. Retired member contribution trend rates were updated to reflect the 5% decrease from Calendar Year (CY)20 to CY21.

Long–term expected rate of return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. 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, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.04%).

Asset Class	Target asset alocation	Expected Real Rate of Return
Domestic equity	28.00%	6.63%
Global equity (non-U.S.)	19.00%	5.41%
Aggregate bonds	22.00%	0.76%
Opportunistic	6.00%	4.39%
Real assets	13.00%	3.16%
Private equity	12.00%	9.29%
Cash equivalents	-	0.13%

Long–term expected rate of return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021 are summarized in the following table (note that the rates shown below exclude an inflation component of 2.50%).

Asset Class	Target asset allocation	Long-term Expected Real Rate of Return
Broad Domestic equity	28.0%	6.63%
Global equity (non-US)	19.0%	5.41%
Aggregate bonds	22.0%	0.76%
Opportunistic	6.0%	4.39%
Real assets	13.0%	3.16%
Private equity	12.0%	9.29%
Cash equivalents	-	0.13%

Discount Rate. The discount rate used to measure the total pension and OPEB liabilities was 7.38 percent. The projection of cash flows used to determine the discount rate assumed that employer and non-employer contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the fiduciary net position for the pension and OPEB Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB Plan investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities.

State of Alaska Public Employees' Retirement System - Defined Benefit (PERS-DB)

Plan Description

PERS-DB is a defined benefit, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska. The plan was originally established as an agent multiple-employer plan, but was converted by legislation to a cost-sharing plan, effective July 1, 2008. This change provided for an integrated system of accounting for all employers. Under the integrated system, the PERS-DB plans' unfunded liability will be shared among all employers with each contributing 22 percent of their covered payroll.

PERS provides pension, postemployment health care, death and disability benefits to eligible participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed PERS-DB to new members and created a Public Employees' Retirement System Defined Contribution Retirement Plan (PERS-DC), disclosed later in this note.

The PERS-DB Plan is a plan within the Public Employees' Retirement System (PERS). PERS includes the PERS-DB and Alaska Retiree Healthcare Trust (ARHCT). Senate Bill 123 was passed during the 2007 legislative session and created the ARHCT. ARHCT is self-funded and provides major medical coverage to

retirees of PERS. PERS retains the risk of loss of allowable claims for eligible members. ARHCT began paying member healthcare claims on March 1, 2008. Prior to that time, healthcare claims were paid for by the Retiree Health Fund (RHF).

Each fiscal year, PERS issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website http://doa.alaska.gov/drb.

Funding Policy and Annual Pension Cost

Employee contribution rates are 6.75 percent (7.5 percent for peace officers and firefighters). The funding policy for PERS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. The 2022 and 2021 actuarially determined rates were 30.11 percent and 30.85 percent of applicable gross pay, respectively. However, the employer contribution rate for the University was capped by the state at 22 percent for fiscal years 2022 and 2021.

The University's Schedule of Required Contributions follows ($ in thousands):

	PERS-DB Annual Required Contributions				
Years Ended June 30,	Pension	Postemployment healthcare	Total	Pension percentage contributed	Postemployment healthcare percentage contributed
2022	$ 8,866	$ 3,686	$ 12,552	100%	100%
2021	$ 9,873	$ 5,035	$ 14,908	100%	100%
2020	$ 11,783	$ 4,707	$ 16,490	100%	100%

Alaska Statutes require the University contribute to PERS-DB and DC plans a minimum each year of 22 percent of the University's fiscal year PERS covered payroll. The annual required contributions table above includes the following additional University contributions of $0.09 million, $1.4 million and $1.9 million for fiscal year 2022, 2021 and 2020, respectively, which were required to adhere to the minimum contribution levels per the statutes.

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

At June 30, 2022, the University reported a liability for its proportionate share of the net pension liability. The amount recognized by the University as its proportionate share of the net pension liability and the State's proportionate share of the net pension liability associated with the University were as follows ($ in thousands):

	June 30, 2022	June 30, 2021
University's proportionate share of the net pension liability	$ 164,763	$ 220,350
State's proportionate share of the net pension liability associated with the University (unaudited)	22,320	91,182
Total	$ 187,083	$ 311,532

The University's proportion of the net pension liability was based on a projection of the University's share of present value of future contributions to the pension plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2022, the University's portion was 4.491 percent, which was an increase of 0.757 percentage points from the University's portion measured as of June 30, 2021.

For the year ended June 30, 2022, the University recognized pension expense of $23.1 million and revenue of $32,002 for support provided by the State of Alaska. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to PERS-DB pension plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 730
Difference between projected and actual investment earnings	-	64,974
Changes in assumptions	-	-
Changes in proportion and differences between employer contributions	6,152	-
Contributions subsequent to the measurement date		-
Total	$ 6,152	$ 65,704

The contributions of $8.9 million reported as deferred outflows of resources related to the PERS-DB pension plan resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred

outflows of resources and deferred inflows of resources related to PERS-DB will be recognized in pension expense as follows ($ in thousands):

Years Ending June 30,		
2023	$	(24,560)
2024	$	(16,099)
2025	$	(18,893)
Thereafter		-

Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.38 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate ($ in thousands):

	1% Decrease 6.38%	Discount Rate 7.38%	1% Increase 8.38%
University's proportionate share of the net pension liability	$ 244,038	$ 164,763	$ 98,163

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

According to GASB Statement No. 68, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the PERS-DB plan for the University as further described in Alaska Statute 39.35.280. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize an additional net pension liability of $22.3 million (unaudited) as of June 30, 2022.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022 and June 30, 2021, the University reported an asset for its proportionate share of the net Postemployment Benefits Other Than Pensions (OPEB) asset. The amount recognized by the University as its proportionate share of the net OPEB (asset) liability and the State's proportionate share of the net PERS OPEB (asset) liability associated with the University were as follows ($ in thousands):

	June 30, 2022	June 30, 2021
University's proportionate share of the net OPEB liability (asset)	$ (115,703)	$ (16,903)
State's proportionate share of the net OPEB liability (asset) associated with the University (unaudited)	(15,153)	(7,012)
Total	$ (130,856)	$ (23,915)

The University's proportion of the net OPEB asset was based on a projection of the University's share of present value of future contributions to the OPEB plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2022, the University's portion was 4.510 percent, which was an increase of 0.778 percentage points from the University's portion measured as of June 30, 2021.

For the year ended June 30, 2022, the University recognized OPEB expense of negative $45.4 million and negative revenue of $5.3 million for support provided by the State of Alaska. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DB OPEB plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 1,215
Difference between projected and actual investment earnings	-	54,143
Changes in assumptions	-	4,372
Changes in proportion and differences between employer contributions	-	36
Contributions subsequent to the measurement date		-
Total	$ -	$ 59,766

The contributions of $3.7 million reported as deferred outflows of resources related to the PERS-DB OPEB plan resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS-DB OPEB plan will be recognized in OPEB expense as follows ($ in thousands):

Years Ending June 30,	
2023	$ (30,776)
2024	$ (13,389)
2025	$ (15,601)
Thereafter	-

Sensitivity of the University's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB (asset) liability calculated using the discount rate of 7.38 percent, as well as what the University's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate ($ in thousands):

	1% Decrease 6.38%	Discount Rate 7.38%	1% Increase 8.38%
University's proportionate share of the net OPEB (asset) liability	$ (75,668)	$ (115,703)	$ (148,948)

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued PERS-OPEB financial report.

According to GASB Statement No. 75, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the PERS-DB plan for the University as further described in Alaska Statute 39.35.280. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize an additional net OPEB asset of $0 million (unaudited) as of June 30, 2022.

State of Alaska Teachers' Retirement System - Defined Benefit (TRS-DB)

Plan Description

TRS-DB is a defined benefit, cost-sharing, multiple employer public employee retirement plan established and administered by the State of Alaska. TRS-DB provides pension, postemployment health care, death and disability benefits to participants. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. Effective July 1, 2006, the state legislature closed TRS-DB to new members and created a Teachers' Retirement System Defined Contribution Retirement Plan (TRS-DC), disclosed later in this note.

Each fiscal year, TRS-DB issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website http://doa.alaska.gov/drb.

Funding Policy and Annual Pension Cost

Employees contribute 8.65 percent of their base salary as required by state statute. The funding policy for TRS-DB provides for periodic employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate the assets to pay benefits when due. During fiscal year 2022, contractually required employee and employer contribution rates were 8.65 percent and 12.56 percent, respectively. The 2022 and 2021 actuarially determined employer contribution rates were 31.85 percent and 30.47 percent of applicable gross pay, respectively.

The University's Schedule of Required Contributions follows ($ in thousands):

	TRS-DB Annual Required Contributions				
Years Ended June 30,	Pension	Postemployment healthcare	Total	Pension percentage contributed	Postemployment healthcare percentage contributed
2022	$ 923	$ 990	$ 1,913	100%	100%
2021	$ 907	$ 1,109	$ 2,016	100%	100%
2020	$ 1,465	$ 827	$ 2,292	100%	100%

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

At June 30, 2022, the University reported a liability for its proportionate share of the net pension liability. The amount recognized by the University as its proportionate share of the net pension liability and the State's proportionate share of the net TRS-DB pension liability associated with the University were as follows ($ in thousands):

	June 30, 2022	June 30, 2021
University's proportionate share of the net pension liability	$ 15,339	$ 28,801
State's proportionate share of the net pension liability associated with the University (unaudited)	13,019	49,978
Total	$ 28,358	$ 78,779

The University's proportion of the net pension liability was based on a projection of the University's share of present value of future contributions to the pension plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2022 the University's portion was 1.927 percent which was an increase of 0.511 percentage points from the University's portion measured as of June 30, 2021.

For the year ended June 30, 2022, the University recognized pension expense of $0.7 million and negative revenue of $1.7 million for support provided by the State of Alaska. At June 30, 2022, the University reported

deferred outflows of resources and deferred inflows of resources related to the TRS-DB pension plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 147
Difference between projected and actual investment earnings	-	15,836
Change in assumptions	-	-
Changes in proportion and differences between employer contributions	1,770	-
Contributions subsequent to the measurement date		-
Total	$ 1,770	$ 15,983

The contributions of $0.9 million reported as deferred outflows of resources related to pensions resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DB pension plan will be recognized in pension expense as follows ($ in thousands):

Years Ending June 30,	
2023	$ (5,662)
2024	$ (3,925)
2025	$ (4,626)
Thereafter	$ -

Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 7.38 percent, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate ($ in thousands):

	1% Decrease 6.38%	Discount Rate 7.38%	1% Increase 8.38%
University's proportionate share of the net pension liability	$ 31,011	$ 15,339	$ 2,139

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

According to GASB Statement No. 68, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the TRS-DB plan for the University as further described in Alaska Statute 14.25.085. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize additional net pension liability of $13.0 million (unaudited) as of June 30, 2022.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the University reported an asset for its proportionate share of the net Postemployment Benefits Other Than Pensions (OPEB) asset. The amount recognized by the University as its proportionate share of the net OPEB asset and the state's proportionate share of the net TRS-DB OPEB asset associated with the University were as follows ($ in thousands):

	June 30, 2022	June 30, 2021
University's proportionate share of the net OPEB liability (asset)	$ (23,285)	$ (5,054)
State's proportionate share of the net OPEB liability (asset) associated with the University (unaudited)	(18,134)	(8,807)
Total	$ (41,419)	$ (13,861)

The University's proportion of the net OPEB asset was based on a projection of the University's share of present value of future contributions to the OPEB plan relative to the projected present value of future contributions of all participating employers and the State, actuarially determined. At June 30, 2022 the University's portion was 2.003 percent which was an increase of 0.590 percentage points from the University's portion measured as of June 30, 2021.

For the year ended June 30, 2022, the University recognized OPEB expense of negative $12.6 million and negative revenue of $5.3 million for support provided by the State of Alaska. At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DB OPEB plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 163
Difference between projected and actual investment earnings	-	9,104
Changes in assumptions	-	672
Changes in proportion and differences between employer contributions	-	395
Contributions subsequent to the measurement date		-
Total	$ -	$ 10,334

The contributions of $1.0 million reported as deferred outflows of resources related to OPEB resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DB OPEB plan will be recognized in OPEB expense as follows ($ in thousands):

Years Ending June 30,	
2023	$ (5,459)
2024	$ (2,252)
2025	$ (2,623)
Thereafter	$ -

Sensitivity of the University's proportionate share of the net OPEB (asset) liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB asset calculated using the discount rate of 7.38 percent, as well as what the University's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate ($ in thousands):

	1% Decrease 6.38%	Discount Rate 7.38%	1% Increase 8.38%
University's proportionate share of the net OPEB liability (asset) - TRS	$ (16,778)	$ (23,285)	$ (28,669)

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued TRS-DB financial report.

According to GASB Statement No. 75, the University is reporting under a special funding situation. The special funding situation indicates that the State of Alaska is legally responsible for making contributions directly to the TRS-DB plan for the University as further described in Alaska Statute 14.25.085. If the law did not exist or was eliminated, the University would no longer report under a special funding situation. For example, in a non-special funding situation, the University would be required to recognize additional net OPEB asset of zero as of June 30, 2022.

Actuarial Assumptions for the OPEB plans provided by the State of Alaska PERS and TRS Defined Contribution retirement plans:

Actuarial Assumptions. The total OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions:

Inflation rate	2.50% per year
Salary increases PERS-DC	Graded by service, from 7.75% to 2.75% for peace officer/firefighter
	Graded by service, from 6.75% to 2.75% for all others
Salary increases TRS-DC	Graded by service, from 6.75% to 2.75%
Investment rate of return	7.38%, net of plan investment expenses
	This is based on average inflation rate of 2.50% and a real rate of return of 4.88%
Healthcare cost trend rates	Pre-65 medical: 6.5% grading down to 4.5%
	Post-65: medical: 5.4% grading down to 4.5%
	Prescription drug: 7.5% grading down to 4.5%
	Employer Group Waiver Plan (EGWP): 7.5% grading down to 4.5%

Mortality for PERS-DC plans: Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Post-commencement mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. The rates for pre-commencement mortality were 100% of the RP-2014 employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. For the Occupational Death and Disability (ODD) Plan, deaths are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for all others. Disability mortality in accordance

with the RP-2014 Disabled Table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

Mortality for TRS-DC plans: Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 white-collar employee table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 93% of male and 90% of female rates of the RP-2014 white-collar healthy annuitant table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. For the Occupational Death and Disability (ODD) Plan, deaths are assumed to be occupational 15% of the time. Disability mortality in accordance with the RP-2014 disabled table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017.

For the ODD plans, the assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exception: 1. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

For the Retiree Medical plans, the assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions: 1. Per capita claims costs were updated to reflect recent experience. 2. Retired member contributions were updated to reflect the 5% decrease from calendar year 20 to calendar year 21. 3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

Long-term expected rate of return. The long-term expected rate of return on Plans' investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return, excluding the inflation component of 2.50%, for each major asset class included in the Plans' target asset allocation are summarized in the following table:

Asset Class	Target asset allocation	Long-term Expected Real Rate of Return
Domestic equity	28.00%	6.63%
Global equity (non-U.S.)	19.00%	5.41%
Aggregate bonds	22.00%	0.76%
Opportunistic	6.00%	4.39%
Real assets	13.00%	3.16%
Private equity	12.00%	9.29%
Cash equivalents	-	0.13%

Discount Rate. The discount rate used to measure the total OPEB liability as of June 30, 2021 was 7.38%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policy, which meets State Statutes. Based on those assumptions, the Plans' 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 on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

State of Alaska Public Employees' Retirement System - Defined Contribution (PERS-DC)

Plan Description

PERS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. PERS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in individual retirement accounts for the exclusive benefit of each member or beneficiary.

Funding Policy and Annual Pension Cost

The employee contribution rate is 8 percent and the employer effective contribution rate is 22 percent of covered payroll. For the years ended June 30, 2022 and 2021, the University's total covered payroll for the PERS-DC plan was approximately $72.0 million and $60.3 million, respectively. Contributions made by the University follows ($ in thousands):

	PERS-DC University Contributions		
Years Ended June 30,	Pension	Postemployment Healthcare	Total Contributions
2022	$ 11,907	$ 3,916	$ 15,823
2021	$ 9,988	$ 3,285	$ 13,273

On July 1, 2006, three pension trust sub-funds were created within PERS, the Retiree Major Medical Insurance (RMP), Health Reimbursement Arrangement (HRA), and Occupation Death and Disability (OD&D). RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. PERS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer RMP contribution rates for fiscal years 2022 and 2021 are 1.07 and 1.27 percent, respectively, for medical coverage and 0.31 and 0.31 percent, respectively (0.68 and 0.70 percent, respectively, for peace officers and firefighters) for occupational death and disability benefit contributions. For fiscal years 2022 and 2021, the HRA employer contributions are $180.70 and $179.92 per month, respectively, for full time employees and $1.39 and $1.38 per hour for part time employees, respectively.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the University reported the following balances for its proportionate share of the net OPEB (assets) liabilities related to the PERS-DC Occupational Death & Disability and Retiree Medical plans ($ in thousands):

	June 30, 2022	June 30, 2021
University's proportionate share of the net OPEB liability (asset) - Occupational Death & Disability	$ (1,557)	$ (839)
University's proportionate share of the net OPEB liability (asset) - Retiree Medical	(1,101)	267
Total	$ (2,658)	$ (572)

The University's proportion of the net OPEB (asset) liability was based on a projection of the University's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022 the University's portion of PERS-DC Occupational Death & Disability plan was 3.532 percent which was an increase of 0.455 percentage points from the University's portion measured as of June 30, 2021. At June 30, 2022 the University's portion of PERS-DC Retiree Medical plan was 4.103 percent which was an increase of 0.340 percentage points from the University's portion measured as of June 30, 2021.

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DC Occupational Death and Disability plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 425
Difference between projected and actual investment earnings	-	249
Change in assumptions	-	12
Changes in proportion and differences between employer contributions	7	164
Contributions subsequent to the measurement date		-
Total	$ 7	$ 850

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to the PERS-DC Retiree Medical plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 82	$ 52
Difference between projected and actual investment earnings	-	985
Change in assumptions	342	655
Changes in proportion and differences between employer contributions	128	-
Contributions subsequent to the measurement date	-	-
Total	$ 552	$ 1,692

The contributions of $222,965 to the PERS-DC Occupational Death & Disability plan and $769,590 to the PERS-DC Retiree Medical plan reported as deferred outflow of resources resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the PERS OPEB plans will be recognized in OPEB expense as follows ($ in thousands):

Years Ending June 30,	PERS-DC ODD	PERS-DC RM
2023	$ (322)	$ (495)
2024	(164)	(258)
2025	(172)	(289)
2026	(91)	(20)
thereafter	(94)	(78)

Sensitivity of the University's proportionate share of the net OPEB (asset) liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB (asset) liability calculated using the discount rate of 7.38 percent, as well as what the University's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate ($ in thousands):

	1% Decrease 6.38%	Discount Rate 7.38%	1% Increase 8.38%
University's proportionate share of the net OPEB liability (asset) related to PERS-DC ODD	$ (1,491)	$ (1,557)	$ (1,609)
University's proportionate share of the net OPEB liability (asset) related to PERS-DC Retiree Medical	$ 719	$ (1,101)	$ (2,476)

OPEB Plan Fiduciary Net Position. Detailed information about each of the OPEB plan's fiduciary net positions are available in separately issued PERS-DC-financial reports.

Each fiscal year, PERS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website http://doa.alaska.gov/drb.

State of Alaska Teachers' Retirement System -Defined Contribution (TRS-DC)

Plan Description

TRS-DC is a defined contribution, cost-sharing, multiple-employer public employee retirement plan established and administered by the State of Alaska to provide pension and postemployment healthcare benefits for teachers and other eligible employees. Benefit and contribution provisions are established by state law and may be amended only by the state legislature. TRS-DC was created by the state effective July 1, 2006. Plan savings are accumulated in individual retirement accounts for the exclusive benefit of members or beneficiaries.

Funding Policy and Annual Pension Cost

The employee contribution rate is 8 percent and the effective employer contribution rate is 12.56 percent of covered payroll. For the years ended June 30, 2022 and 2021, the University's total covered payroll for the TRS-DC plan was approximately $12.8 million and $11.1 million, respectively. Contributions made by the University follows ($ in thousands):

	TRS-DC University Contributions		
Years Ended June 30,	Pension	Postemployment Healthcare	Total Contributions
2022	$ 1,135	$ 476	$ 1,611
2021	$ 986	$ 414	$ 1,400

On July 1, 2006, two pension trust sub-funds were created in TRS, the Retiree Major Medical Insurance (RMP) and Health Reimbursement Arrangement (HRA). The TRS Occupational Death and Disability (OD&D) trust sub-fund was created on July 1, 2007. RMP allows eligible members who retire directly from the plan to obtain medical benefits. The HRA allows medical care expenses to be reimbursed from individual savings accounts established for eligible persons. OD&D provides employees with benefits as a result of death or disability on the job. TRS-DC participants are eligible members of RMP and HRA and their postemployment healthcare benefits are paid out of these funds. The employer contribution rates for fiscal years 2022 and 2021 were 0.83 and 0.93

percent, respectively, for medical coverage and 0.08 percent and 0.08 percent, respectively, for occupational death and disability benefit contributions. For fiscal years 2022 and 2021, the HRA employer contributions are $180.70 and $179.92 per month, respectively, for full time employees. For TRS part-time employees, the HRA rate is based on the contract percentage worked multiplied by the rate monthly rate. For example, a 70% employee paid monthly would have a contribution to the HRA of $126.49 per monthly pay period (monthly HRA amount $180.70 multiplied by 70%) for fiscal year 2022, and $125.94 per monthly pay period (monthly HRA amount $179.92 multiplied by 70%) for fiscal year 2021.

Postemployment Benefits Other Than Pensions (OPEB) Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the University reported the following balances for its proportionate share of the net OPEB liabilities (assets) related to the TRS-DC Occupational Death & Disability and Retiree Medical plans ($ in thousands):

	June 30, 2021	June 30, 2021
University's proportionate share of the net OPEB liability (asset) - TRS Occupational Death & Disability	$ (150)	$ (99)
University's proportionate share of the net OPEB liability (asset) - TRS Retiree Medical	(496)	(227)
Total	$ (646)	$ (326)

The University’s proportion of the net OPEB (asset) liability was based on a projection of the University’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022 the University’s portion of TRS-DC Occupational Death & Disability plan was 2.463 percent which was an increase of 0.168 percentage points from the University’s portion measured as of June 30, 2021. At June 30, 2022 the University’s portion of TRS-DC Retiree Medical plan was 2.468 percent which was an increase of 0.169 percentage points from the University’s portion measured as of June 30, 2021.

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DC Occupational Death and Disability plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 18
Difference between projected and actual investment earnings	-	19
Changes in assumptions	-	
Changes in proportion and differences between employer contributions	5	10
Contributions subsequent to the measurement date	-	-
Total	$ 5	$ 47

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to the TRS-DC Retiree Medical plan from the following sources ($ in thousands):

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 95	$ 16
Difference between projected and actual investment earnings	-	195
Changes in assumptions	34	183
Changes in proportion and differences between employer contributions	-	13
Contributions subsequent to the measurement date	5	-
Total	$ 134	$ 407

The contributions of $10,265 to the TRS-DC Occupational Death & Disability plan and $106,501 to the TRS-DC Retiree Medical plan reported as deferred outflow of resources resulting from the University contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the TRS-DC OPEB plans will be recognized in OPEB expense as follows ($ in thousands):

Years Ending June 30,	TRS-DC ODD	TRS-DC RM
2023	$ (16)	$ (116)
2024	(8)	(60)
2025	(9)	(67)
2026	(3)	(12)
thereafter	(6)	(18)

Sensitivity of the University's proportionate share of the net OPEB (asset) liability to changes in the discount rate. The following presents the University's proportionate share of the net OPEB (asset) liability calculated using the discount rate of 7.38 percent, as well as what the University's proportionate share of the net OPEB (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate ($ in thousands):

	1% Decrease 6.38%	Discount Rate 7.38%	1% Increase 8.38%
University's proportionate share of the net OPEB (asset) liability related to TRS-DC ODD	$ (150)	$ (150)	$ (150)
University's proportionate share of the net OPEB (asset) liability related to TRS-DC Retiree Medical	$ (183)	$ (496)	$ (729)

OPEB Plan Fiduciary Net Position. Detailed information about each of the OPEB plan's fiduciary net positions are available in separately issued TRS-DC-financial reports.

Each fiscal year, TRS-DC issues a publicly available financial report which includes financial statements and required supplementary information. That report may be obtained by writing to the State of Alaska, Department of Administration, Division of Retirement and Benefits, P.O. Box 110203, Juneau, Alaska, 99811-0203 or by calling (907) 465-4460. The report is available on the website http://doa.alaska.gov/drb.

University of Alaska Optional Retirement Plan - Defined Contribution (ORP)

Plan Description

The ORP is an employer funded defined contribution plan which operates in conjunction with a companion mandatory tax-deferred annuity plan. The ORP is comprised of three layers of participants: the original ORP or ORP Tier 1 which was created for participants hired prior to July 1, 2005, ORP Tier 2 which was created for participants hired between July 1, 2005 and June 30, 2006, and ORP Tier 3 which was created for participants hired on or after July 1, 2006. For ORP Tier 1 and ORP Tier 2, faculty classified as regular and certain administrators made a one-time election to participate in the ORP as an alternative to participation in the defined benefit plans, PERS-DB or TRS-DB. The ORP Tier 2 plan was available for new ORP benefit-eligible employees hired in fiscal year 2006. As of July 1, 2006, the ORP Tier 2 plan was no longer available to newly-hired ORP benefit-eligible employees. For ORP Tier 3, each new eligible employee was able to make a one-time election to participate in the University of Alaska Retirement Program (includes ORP Tier 3 and the

University of Alaska Pension Plan) as an alternative to participation in the State of Alaska defined contribution plans, PERS-DC or TRS-DC. Beginning July 1, 2015 the ORP was closed to new hired regular staff, but is still available for faculty and certain administrators.

Funding Policy and Annual Pension Cost

University contributions are remitted to the plan's authorized employee-selected annuity providers or investment managers. The contribution rates and amounts for fiscal years 2022 and 2021 were as follows ($ in thousands):

	ORP Tier 1		ORP Tier 2		ORP Tier 3	
	2022	2021	2022	2021	2022	2021
Employee Contribution Rates	8.65%	8.65%	8.65%	8.65%	8.00%	8.00%
University Contribution Rates	14.00%	14.00%	12.00%	12.00%	12.00%	12.00%
Covered Payroll	$26,232	$28,312	$2,187	$2,328	$100,878	$ 102,524
University Contributions	$ 3,672	$ 3,964	$ 262	$ 279	$ 12,105	$ 12,303

Plan Assets

At June 30, 2022 and 2021, plan assets (participants' accounts attributable to employer contributions) for ORP Tier 1, Tier 2 and Tier 3 had a net value of $388.9 million and $477.9 million, respectively. ORP Tier 1 and ORP Tier 2 participants are 100 percent vested at all times. University contributions for ORP Tier 3 participants are 100 percent vested after three years of service.

University of Alaska Pension Plan (Pension)

Plan Description

In addition to the other retirement plans, substantially all regular employees (hired before July 1, 2006) and certain faculty classified as temporary, participate in the Pension plan which was established January 1, 1982, when the University withdrew from the federal social security program. Eligible employees, hired on or after July 1, 2006, who elected to participate in the University of Alaska Retirement Program also participate in the Pension plan.

Funding Policy and Annual Pension Cost

For fiscal years 2022 and 2021, employer contributions for regular employees was 7.65 percent of covered wages up to $42,000. For certain faculty classified as temporary, the employer contributions were 7.65 percent of covered wages up to $147,000 and $142,800 for fiscal years 2022 and 2021, respectively. The plan provides for employer contributions to be invested in accordance with participant-directed investment elections. Participants hired before July 1, 2006 are 100 percent vested at all times. University contributions for participants hired on or after July 1, 2006 are 100 percent vested after three years of service. Regular staff hired on or after July 1, 2015 are also 100 percent vested after three years of service of the employer contributions of the pension plan.

Plan Assets

In fiscal years 2022 and 2021, the University's total covered payroll for the Pension plan was $152.8 million and $146.2 million, respectively. The University's gross costs to fund and administer the plan totaled $11.7 million and $11.2 million for the years ended June 30, 2022 and 2021, respectively. At June 30, 2022 and 2021, plan assets (participants' accounts) had a net value of $438.8 million and $549.1 million, respectively.

13. Insurance and Risk Management

The University is exposed to a wide variety of risks including property loss, bodily and personal injury, intellectual property, errors and omissions, cyber-attacks, aviation and marine. Exposures are handled with a combination of self-insurance and commercial insurance.

The University is self-insured up to the maximum of $2.0 million per occurrence for casualty claims and $250,000 for property claims. Commercial carriers provide coverage in excess of these amounts. Health care, workers' compensation and unemployment claims are fully self-insured. Liabilities have been established using actuarial analysis to cover estimates for specific reported losses, estimates for unreported losses based upon past experience modified for current trends, and estimates of expenses for investigating and settling claims. Settled claims have not exceeded the coverages for any of the past three years.

Changes in applicable self-insured liability amounts follow ($ in thousands):

	Balance July 1, 2021	Provision for Claims	Claims Payments	Balance June 30, 2021
Health	$ 5,249	$ 55,338	$ (55,056)	$ 5,531
General liability	4,660	166	-	4,826
Workers' compensation	3,669	-	(80)	3,589
Unemployment	99	84	(144)	39
	$ 13,677	$ 55,588	$ (55,280)	$ 13,985

	Balance July 1, 2020	Provision for Claims	Claims Payments	Balance June 30, 2021
Health	$ 5,317	$ 50,568	$ (50,636)	$ 5,249
General liability	4,550	110	-	4,660
Workers' compensation	3,873	975	(1,179)	3,669
Unemployment	54	914	(869)	99
	$ 13,794	$ 52,567	$ (52,684)	$ 13,677

14. Commitments and Contingencies

Amounts received and expended by the University under various federal and state grants, contracts and other programs are subject to audit and potential disallowance. From time to time the University is named as a defendant in legal proceedings or cited in regulatory actions related to the conduct of its operations.

In the normal course of business, the University also has various other commitments and contingent liabilities which are not reflected in the accompanying financial statements. In the opinion of management, the University will not be affected materially by the final outcome of any of these proceedings, or insufficient information exists to make an opinion.

The University received a Potentially Responsible Party (PRP) letter from the Alaska Department of Environmental Conservation (ADEC) in July 2019. The letter identified the University as the potential party that may be responsible for cleanup costs of soil contamination found due to pipeline failure in Kenai, Alaska. During fiscal year 2021, the University of Alaska Fairbanks has developed the excavation and post excavation sampling plan and the plan has been approved by the Department of Environmental Conservation. The cleanup of the site is completed and pending State of Alaska inspection.

15. University of Alaska Foundation

The University of Alaska Foundation (Foundation) is a legally separate, nonprofit organization formed in 1974 to solicit donations for the exclusive benefit of the University of Alaska. During the fiscal years 2022 and 2021, the University transferred $0.8 million and $0.9 million for general support, respectively. For the same periods, the Foundation reimbursed the University for operating expenses totaling $3.9 million and $4.2 million, respectively.

For the years ended June 30, 2022 and 2021, distributions and expenditures by the Foundation for the benefit of the University totaled $14.5 million and $13.7 million, of which $14.4 million and $13.6 million were direct reimbursements to the University, respectively. Additionally, the University had a receivable from the Foundation of $3.8 million and $5.9 million at June 30, 2022 and 2021, respectively, primarily for unreimbursed expenditures incurred on Foundation awards made to the University.

The investable resources of the University's Land Grant Endowment Trust Fund and the Foundation's pooled endowment funds are combined into a Consolidated Endowment Fund for investment purposes. At June 30, 2022 and 2021, the fair value of the fund was $438.6 million and $472.2 million, respectively. The University's share of this fund was $169 million and $184.2 million, respectively, which is reflected in endowment investments.

The fund is managed by the Foundation's investment committee on a total return basis in accordance with an investment policy approved by the Board of Regents. The net assets and related activity for the University's Land Grant Endowment Trust and Inflation Proofing Funds' investment in the fund is reflected in the University's financial statements.

On June 17, 2013, the Foundation entered into a partnership agreement with Cambridge Associates, LLC to form the University of Alaska Foundation Consolidated Endowment Fund, L.P. (the partnership) and assume management of the fund effective July 1, 2013. The partnership is a single investor fund with Cambridge Associates, LLC serving as general partner, and the University of Alaska Foundation serving as the sole limited partner. This relationship does not affect the ownership of units in the Consolidated Endowment Fund by the University or the Foundation. Effective July 1, 2013, all assets of the fund were transferred to the partnership. The investment committee of the Foundation has retained authority for setting investment policy, guidelines and philosophy, and approving asset allocation targets and benchmarks. Under the restructuring plan for the fund,

the general partner has been delegated discretionary authority by the investment committee for manager selection and termination, management of cash flows to and from investments of the partnership, due diligence on underlying managers and investments, and performance reporting.

The financial statements of Foundation may be obtained by writing to University of Alaska Foundation, P.O. Box 755080, Fairbanks, Alaska 99775 or by calling (907) 450-8030.

16. COVID Related Funding

The federal government passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) in December 2020, and the American Rescue Plan Act (ARP) in March 2021. These funds were awarded to institutions of higher education in primarily two allotments; institutional aid to provide support for pivoting instruction to online delivery and other COVID related costs, and a student portion for emergency financial aid grants to students. The University also received COVID related funding support from the State of Alaska through the Coronavirus Relief Fund, and other funding passed through local municipalities. The University recognized $38.7 million in COVID related funding during fiscal year 2022. Both the institutional aid portion and the student aid portion of the federal awards are reported as nonoperating revenue, the institutional aid portion of the expense is reported as an operating expense and the student aid portion is reported as a nonoperating expense in the Statement of Revenues, Expenses, and Changes in Net Position.

17. Leases

The University, acting as lessor, leases buildings and land under long-term, non-cancelable lease agreements. The leases expire at various dates through 2042 with interest rates ranging from 3.074 percent to 5.018 percent. During the year ended June 30, 2022, the University recognized $3.9 million and $1 million in lease revenue and interest revenue, respectively, pursuant to these contracts. During the year ended June 30, 2021, the University recognized $3.4 million and $0.8 million in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

	Principal	Interest	Total
2023	$ 2,892	$ 884	$ 3,776
2024	2,027	790	2,817
2025	1,737	713	2,450
2026	1,749	638	2,387
2027	1,779	561	2,340
2028-2032	5,660	1,938	7,598
2033 and thereafter	5,079	690	5,769
Total minimum lease payments	$ 20,923	$ 6,214	$ 27,137

The University leases land and buildings for various terms under long-term, non-cancelable lease agreements. The leases expire at various dates through 2072 with interest rates ranging from 3.074 percent to 5.018 percent.

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

	Principal	Interest	Total
2023	$ 958	$ 144	$ 1,102
2024	480	117	597
2025	315	102	417
2026	260	90	350
2027	201	80	281
2028-2032	590	303	893
2033 and thereafter	912	508	1,420
Total minimum lease payments	$ 3,716	$ 1,344	$ 5,060

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	June 30,2022	June 30 2021
Land	$ 2,247	$ 2,247
Buildings	3,388	3,388
Total	5,635	5,635
Less: accumulated amortization	(2,050)	(999)
	$ 9,220	$ 10,271

18. Functional and Natural Expense Classifications

The University's operating expenses by functional and natural classification for fiscal years 2022 and 2021 were as follows ($ in thousands):

FY 2022	Compensation & Benefits	Contractual Services	Materials	Other	Student Aid	Depreciation	Total
Instruction	130,424	14,090	5,291	147	-	-	$ 149,952
Academic support	36,182	8,376	6,261	48	-	-	50,867
Research	88,724	63,330	10,939	(29)	-	-	162,964
Public service	30,247	14,198	2,793	(16)	-	-	47,222
Student services	32,808	8,070	1,947	133	-	-	42,958
Operations and maintenance	24,457	32,329	20,244	385	-	-	77,415
Institutional support	63,144	22,098	2,797	966	-	-	89,005
Student aid	-	-	-	-	24,629	-	24,629
Auxiliary enterprises	7,780	13,622	2,007	533	-	-	23,942
Depreciation	-	-	-	-	-	99,297	99,297
State on-behalf payments	-	-	-	(12,146)	-	-	(12,146)
Total	$ 413,766	$ 176,113	$ 52,279	$ (9,979)	$ 24,629	$ 99,297	$ 756,105

FY 2021	Compensation & Benefits	Contractual Services	Materials	Other	Student Aid	Depreciation	Total
Instruction	$ 136,544	$ 12,732	$ 4,645	$ 200	$ -	$ -	$ 154,121
Academic support	41,273	4,227	4,298	10	-	-	49,808
Research	87,847	38,365	8,794	65	-	-	135,071
Public service	32,190	9,482	2,313	(17)	-	-	43,968
Student services	33,884	5,056	1,743	69	-	-	40,752
Operations and maintenance	25,052	22,143	10,453	452	-	-	58,100
Institutional support	70,777	25,647	2,951	784	-	-	100,159
Student aid	-	-	-	-	23,571	-	23,571
Auxiliary enterprises	7,549	11,538	1,414	162	-	-	20,663
Depreciation	-	-	-	-	-	103,464	103,464
State on-behalf payments	-	-	-	6,392	-	-	6,392
Total	$ 435,116	$ 129,190	$ 36,611	$ 8,117	$ 23,571	$ 103,464	$ 736,069

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of the University's Proportionate Share of the Net Pension Liability
PERS-DB Pension Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
University's proportion of net pension liability	4.491%	3.734%	3.757%	3.945%	3.579%	4.247%	4.162%	3.427%
University's proportionate share of the net pension liability	$ 164,763	$ 220,350	$ 205,670	$ 196,025	$ 185,021	$ 237,381	$ 201,845	$ 159,853
State's proportionate share of the net pension liability associated with the University	$ 22,320	$ 91,182	$ 81,669	$ 56,774	$ 68,931	$ 29,912	$ 54,062	113,146
Total	$ 187,083	$ 311,532	$ 287,339	$ 252,799	$ 253,952	$ 267,293	$ 255,907	$ 272,999
University's covered employee payroll	$ 57,053	$ 67,763	$ 74,955	$ 80,537	$ 91,917	$ 84,191	$ 90,340	$ 98,033
University's proportionate share of the net pension liability as of percentage of its covered payroll	288.8%	325.2%	274.4%	243.4%	201.3%	282.0%	223.4%	163.1%
Plan fiduciary net position as a percentage of the total pension liability	76.5%	61.6%	63.0%	65.0%	63.4%	59.6%	64.0%	62.4%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Schedule of the University's Proportionate Share of the Net OPEB Liability
PERS-DB OPEB Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
University's proportion of net OPEB liability	4.510%	3.733%	3.757%	3.944%	3.579%
University's proportionate share of the net OPEB liability (asset)	$ (115,703)	$ (16,903)	$ 5,575	$ 40,478	$ 30,239
State's proportionate share of the net OPEB liability (asset) associated with the University	$ (15,153)	$ (7,012)	$ 2,217	$ 11,750	$ 11,274
Total	$ (130,856)	$ (23,915)	$ 7,792	$ 52,228	$ 41,513
University's covered employee payroll	$ 57,053	$ 67,763	$ 74,955	$ 80,537	$ 91,917
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	7.4%	50.3%	32.9%
Plan fiduciary net position as a percentage of the total OPEB liability	135.5%	106.2%	98.1%	88.1%	89.7%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Proportionate Share of the Net OPEB Liability
PERS-DC Occidental Death and Disability Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
University's proportion of OPEB liability	3.532%	3.077%	3.066%	3.147%	2.598%
University's proportionate share of the net OPEB liability (asset)	$ (1,557)	$ (838)	$ (743)	$ (611)	$ (369)
University's covered employee payroll	$ 71,924	$ 60,330	$ 53,317	$ 47,150	$ 35,779
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	374.2%	283.8%	297.4%	270.6%	213.0%

* GASB Statement 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017

Schedule of the University's Proportionate Share of the Net OPEB Liability
PERS-DC Retiree Medical Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
University's proportion of OPEB liability	4.103%	3.764%	3.765%	3.147%	2.598%
University's proportionate share of the net OPEB liability (asset)	$ (1,101)	$ 267	$ 901	$ 400	$ 135
University's covered employee payroll	$ 71,924	$ 60,330	$ 53,317	$ 47,150	$ 35,779
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.4%	1.7%	0.8%	0.4%
Plan fiduciary net position as a percentage of the total OPEB liability	115.1%	95.2%	83.2%	88.7%	94.0%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017

Schedule of the University's Proportionate Share of the Net Pensio Liability
TRS-DB Pension Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
University's proportion of net pension liability	1.927%	1.417%	1.603%	1.675%	1.612%	2.139%	2.025%	0.968%
University's proportionate share of the net pension liability	$ 15,339	$ 28,801	$ 29,951	$ 32,065	$ 32,661	$ 48,846	$ 37,680	$ 29,024
State's proportionate share of the net pension liability associated with the University	$ 13,019	$ 49,978	$ 44,422	$ 47,669	$ 56,996	$ 58,055	$ 60,230	131,789
Total	$ 28,358	$ 78,779	$ 74,373	$ 79,734	$ 89,657	$ 106,901	$ 97,910	$ 160,813
University's covered employee payroll	$ 15,231	$ 16,049	$ 18,249	$ 20,625	$ 22,128	$ 25,212	$ 27,848	$ 31,575
University's proportionate share of the net pension liability as of percentage of its covered payroll	100.7%	179.5%	164.1%	155.5%	147.6%	193.7%	135.3%	91.9%
Plan fiduciary net position as a percentage of the total pension liability	89.4%	72.8%	74.7%	74.1%	72.4%	68.4%	73.8%	55.7%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Schedule of the University's Proportionate Share of Net OPEB Liability
TRS-DB OPEB Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
University's proportion of net OPEB liability	2.003%	1.413%	1.600%	1.671%	1.606%
University's proportionate share of the net OPEB liability (asset)	$ (23,285)	$ (5,054)	$ (2,445)	$ 5,196	$ 2,955
State's proportionate share of the net OPEB liability (asset) associated with the University	$ (18,134)	$ (8,807)	$ (3,638)	$ 7,755	$ 5,182
Total	$ (41,419)	$ (13,861)	$ (6,083)	$ 12,951	$ 8,137
University's covered employee payroll	$ 15,231	$ 16,049	$ 18,249	$ 20,625	$ 22,128
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	25.2%	13.4%
Plan fiduciary net position as a percentage of the total OPEB liability	145.4%	113.8%	105.5%	90.2%	93.8%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Proportionate Share of the Net OPEB Liability
TRS-DC Occidental Death & Disability Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
University's proportion of OPEB liability	2.463%	2.295%	2.465%	2.280%	2.296%
University's proportionate share of the net OPEB liability (asset)	$ (150)	$ (99)	$ (99)	$ (80)	$ (75)
University's covered employee payroll	$ 12,831	$ 11,145	$ 9,766	$ 9,653	$ 8,200
University's proportionate share of the net OPEB liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	1254.4%	931.1%	1409.8%	1304.8%	1342.5%

* GASB Statement 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017

Schedule of the University's Proportionate Share of the Net OPEB Liability
TRS-DC Retiree Medical Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
University's proportion of OPEB liability	2.468%	2.300%	2.462%	2.280%	2.296%
University's proportionate share of the net OPEB liability (asset)	$ (496)	$ (227)	$ (94)	$ (73)	$ (109)
University's covered employee payroll	$ 12,831	$ 11,145	$ 9,766	$ 9,653	$ 8,200
University's proportionate share of the net pension liability as of percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	142.5%	126.0%	110.0%	109.6%	118.2%

* GASB Statement 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the University will present information for those years for which information is available.

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution
PERS-DB Pension Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 8,866	$ 9,873	$ 11,783	$ 13,022	$ 15,736	$ 15,082	$ 13,699	$ 14,483
Contributions in relation to the statutorily required contribution	$ 8,866	$ 9,873	$ 11,783	$ 13,022	$ 15,736	$ 15,082	$ 13,699	$ 14,483
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 57,053	$ 67,763	$ 74,955	$ 80,537	$ 91,917	$ 84,191	$ 90,340	$ 98,033
Contribution as a percentage of covered-University payroll	15.5%	14.6%	15.7%	16.2%	17.1%	17.9%	15.2%	14.8%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Schedule of the University's Contribution
PERS-DB OPEB Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
Statutorily required contribution	$ 3,686	$ 5,035	$ 4,707	$ 4,695	$ 4,486
Contributions in relation to the statutorily required contribution	$ 3,686	$ 5,035	$ 4,707	$ 4,695	$ 4,486
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 57,053	$ 67,763	$ 74,955	$ 80,537	$ 91,917
Contribution as a percentage of covered-University payroll	6.5%	7.4%	6.3%	5.8%	4.9%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution
PERS-DC Occidental Death & Disability Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
Statutorily required contribution	$ 223	$ 187	$ 139	$ 123	$ 57
Contributions in relation to the statutorily required contribution	$ 223	$ 187	$ 139	$ 123	$ 57
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 71,924	$ 60,330	$ 53,317	$ 47,150	$ 35,779
Contribution as a percentage of covered-University payroll	0.31%	0.31%	0.26%	0.26%	0.16%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution
PERS-DC Retiree Medical Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
Statutorily required contribution	$ 770	$ 766	$ 704	$ 443	$ 369
Contributions in relation to the statutorily required contribution	$ 770	$ 766	$ 704	$ 443	$ 369
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 71,924	$ 60,330	$ 53,317	$ 47,150	$ 35,779
Contribution as a percentage of covered-University payroll	1.07%	1.27%	1.32%	0.94%	1.03%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution
TRS-DB Pension Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 923	$ 907	$ 1,465	$ 1,735	$ 1,859	$ 1,911	$ 2,011	$ 2,280
Contributions in relation to the statutorily required contribution	$ 923	$ 907	$ 1,465	$ 1,735	$ 1,859	$ 1,911	$ 2,011	$ 2,280
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 15,231	$ 16,049	$ 18,249	$ 20,625	$ 22,128	$ 25,212	$ 27,848	$ 31,575
Contribution as a percentage of covered-University payroll	6.1%	5.7%	8.0%	8.4%	8.4%	7.6%	7.2%	7.2%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Schedule of the University's Contribution
TRS-DB OPEB Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
Statutorily required contribution	$ 990	$ 1,109	$ 827	$ 856	$ 921
Contributions in relation to the statutorily required contribution	$ 990	$ 1,109	$ 827	$ 856	$ 921
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 15,231	$ 16,049	$ 18,249	$ 20,625	$ 22,128
Contribution as a percentage of covered-University payroll	6.5%	6.9%	4.5%	4.2%	4.2%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018, 2017, 2016, 2015 and 2014.

Schedule of the University's Contribution
TRS-DC Occidental Death & Disability Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
Statutorily required contribution	$ 10	$ 9	$ 8	$ 8	$ -
Contributions in relation to the statutorily required contribution	$ 10	$ 9	$ 8	$ 8	$ -
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 12,831	$ 11,145	$ 9,766	$ 9,654	$ 8,200
Contribution as a percentage of covered-University payroll	0%	0%	0%	0%	0%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.

Schedule of the University's Contribution
TRS-DC Retiree Medical Plan
Last 10 Fiscal Years*
($ in thousands)

	2022	2021	2020	2019	2018
Statutorily required contribution	$ 107	$ 104	$ 106	$ 76	$ 75
Contributions in relation to the statutorily required contribution	$ 107	$ 104	$ 106	$ 76	$ 75
Contribution (deficiency) excess	$ -	$ -	$ -	$ -	$ -
University's covered employee payroll	$ 12,831	$ 11,145	$ 9,766	$ 9,654	$ 8,200
Contribution as a percentage of covered-University payroll	0.8%	0.9%	1.1%	0.8%	0.9%

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

Data reported is measured as of July 1, 2021, 2020, 2019, 2018 and 2017.