

LEWIS-CLARK STATE COLLEGE
FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
YEARS ENDED JUNE 30, 2025 AND 2024



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**LEWIS-CLARK STATE COLLEGE
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YEARS ENDED JUNE 30, 2025 AND 2024**

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INDEPENDENT AUDITORS' REPORT

Idaho Office of the State Board of Education
Lewis-Clark State College
Lewiston, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Lewis-Clark State College (collectively, the College), a component unit of the State of Idaho, as of and for the years ended June 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Lewis-Clark State College's basic financial statements as listed in the table of contents.

In our opinion, 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 Lewis-Clark State College, as of June 30, 2025 and 2024, 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 Lewis-Clark State College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

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

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 Lewis-Clark State College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Lewis-Clark State College's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the required schedules related to the College's pension plan, and the required schedules related to the College's postemployment benefits plans 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 September 29, 2025, on our consideration of Lewis-Clark State College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lewis-Clark State College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lewis-Clark State College's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Bellevue, Washington
September 29, 2025

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Overview of the Financial Statements and Financial Analysis

The financial statements for the fiscal year ended June 30, 2025 and 2024, are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. Three financial statements are presented: the *Statement of Net Position*; the *Statement of Revenues, Expenses, and Changes in Net Position*; and the *Statement of Cash Flows*.

Management's Discussion and Analysis is designed to provide an easily readable summary of Lewis-Clark State College's (College) financial condition, results of operations, and cash flows based upon facts, decisions, and conditions known at the date of the auditor's reports.

In 2002, GASB issued Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB 14*. This Statement clarified the definition of a component unit for financial reporting purposes. As a result, the College is discretely reporting on the Lewis-Clark State College Foundation, Inc.'s (Foundation) *Statement of Financial Position* and *Statement of Activities* as part of the financial statements for the College.

Statement of Net Position

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

From the data presented, readers of the Statement of Net Position can determine the assets available to continue the College's operations. They are also able to ascertain how much the College owes vendors, grantors, and lending institutions. The Statement of Net Position provides a picture of the net position and the availability of resources for expenditure by the College. Changes in net position over time are an indicator of whether the College's financial condition is improving or declining

Net position is divided into three major categories. The first category, net investment in capital assets, indicates the net equity in capital assets owned by the College. The next category is restricted net position, which is divided into two categories, nonexpendable and expendable. The corpus of nonexpendable restricted resources is available only for investment purposes. Expendable restricted net position is available for expenditure by the College but must be spent for purposes specified by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position. An unrestricted net position is available to the College to utilize in any legal fashion in accordance with the State Board of Education's specified role and mission.

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

SUMMARY STATEMENT OF NET POSITION

	2025	2024	2023
Assets			
Current Assets	\$ 69,543,167	\$ 63,296,824	\$ 54,681,008
Capital Assets, Net	79,500,718	81,496,540	83,920,638
Other Assets and Deferred Outflows of Resources	7,316,508	8,065,491	9,038,820
Total Assets and Deferred Outflows of Resources	\$ 156,360,393	\$ 152,858,855	\$ 147,640,466
Liabilities			
Current Liabilities	\$ 9,156,452	\$ 8,897,077	\$ 7,013,078
Noncurrent Liabilities	14,048,821	15,313,153	15,898,839
Deferred Inflows of Resources	3,669,155	3,445,006	3,855,173
Total Liabilities and Deferred Inflows of Resources	26,874,428	27,655,236	26,767,090
Net Position			
Net Investment in Capital Assets	75,195,789	76,376,139	78,598,925
Restricted - Expendable	3,793,218	3,443,232	3,727,676
Unrestricted	50,496,958	45,384,248	38,546,775
Total Net Position	129,485,965	125,203,619	120,873,376
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 156,360,393	\$ 152,858,855	\$ 147,640,466

FY 2025 total assets and deferred outflows of resources increased \$3.50M compared to the prior year, an increase of 2.3%. The majority of this change is found in the following balance sheet components – an increase in cash held by the State Treasurer, \$5M (17% overall), an increase in State of Idaho Local Government Investment Pool (LGIP) deposits of \$1.83M, and a decrease in net capital assets of \$1.81M, as well as a decrease in deferred outflows of Pension and Sick Leave Insurance and Reserve Fund (SLIRF), totaling \$1.11M.

FY 2024 total assets and deferred outflows of resources increased \$5.22M compared to the prior year, an increase of 3.5%. The majority of this change is found in the following balance sheet components – an increase in cash held by the State Treasurer, \$5.18M (22% overall), an increase in State of Idaho LGIP deposits of \$3.92M, and a decrease in net capital assets of \$2.42M, as well as a decrease in accounts receivable and deferred outflows of Pension, SLIRF, and OPEB totaling \$1.63M.

FY 2025 net cash deposits increased \$6.20M compared to the prior year. Deposits in the Idaho LGIP increased approximately \$1.83M during 2025. The Idaho State Treasurer deposits increased \$5.0M during 2025. Cash and cash equivalents held in local banks decreased approximately \$633K as of June 30, 2025. The decrease in cash and cash equivalents is due to moving more funds to Cash with Treasurer and LGIP Deposits. This allowed the College to safely protect the funds above the FDIC limit while receiving a favorable interest rate. The College still holds enough funds in its local account to meet short-term capital expenditures, pending student tuition transfers, and payroll related expenses.

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

FY 2024 net cash deposits increased \$9.28M compared to the prior year. Deposits in the Idaho LGIP increased approximately \$3.92M during 2024. The Idaho State Treasurer deposits increased \$5.18M during 2024. Cash and cash equivalents held in local banks increased approximately \$187K as of June 30, 2024. The increase in cash and cash equivalents is due to moving more funds to Cash with Treasurer and LGIP Deposits. This allowed the College to safely protect the funds above the FDIC limit while receiving a favorable interest rate. The College still holds enough funds in its local account to meet short-term capital expenditures, pending student tuition transfers, and payroll related expenses.

On June 30, 2025 and 2024, the College reported an asset of \$3.32M and \$2.97M, respectively for its proportionate share of the State of Idaho SLIRF. The amounts reflect an increase of \$344K for 2025 and an increase of \$35K for 2024 and represents additional excess sick leave funding in the Idaho plan for both fiscal years.

FY 2025 net capital assets decreased \$1.99M compared to the prior year. This decrease is associated with increased depreciation related to the Activity Center as well as other Department of Public Works (DPW) capital projects and no new major additions; however, multiple new projects were started in FY 2025 that are expected to be completed in the coming years.

FY 2024 net capital assets decreased \$2.42M compared to the prior year. This decrease is associated with increased depreciation related to the Activity Center as well as other DPW capital projects. This was partially offset by an increase in investment in capital assets for subscriptions but increased over last year by \$183K. This increase is due to the accounting for Subscription Based Information Technology Arrangement (SBITAs) asset and reflects the GASB 96 requirement to account for the right-of-use subscription in the financial statements and footnotes. Included in the \$1.33M is \$136K of subscriptions currently in the implementation phase. The College anticipates the implementation phase to be completed in 2025.

Deferred outflows decreased approximately by \$1.06M and \$1.28M in 2025 and 2024, respectively. The decrease in fiscal year 2025 and 2024 is related to a decrease in the PERSI pension outflows by \$866K and \$765K, and OPEB and SLIRF deferred outflow decrease of \$196K and \$519K, respectively.

Total liabilities and deferred inflows of resources decreased by \$781K as of June 30, 2025, a decrease of 2.82%. The primary contributors included decreases in notes payable, PERSI Pension, SBITA liabilities and due to component unit. These decreases were slightly offset by increases in Due to State of Idaho, unearned revenue, and deferred outflows.

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Total liabilities and deferred inflows of resources increased by \$888K as of June 30, 2024, an increase of 3.32%. The primary contributors included increases in accounts payable, Due to State, and unearned revenue. These increases were slightly offset by decreases in OPEB and deferred inflows.

The SBITA liability for current and noncurrent liabilities decreased by \$312K in 2025 and increased by \$63K in 2024. See footnotes 1 and 8 for more information. In addition, there was a decrease of \$34K and an increase of \$37K for lease liability in 2025 and 2024, respectively.

The decrease in net PERSI pension liability of \$726K and \$171K in 2025 and 2024, respectively represents the College's allocation of the State of Idaho retiree benefit plans related to the PERSI base plan. Other postemployment benefit obligations increased by \$112K in 2025 and decreased by \$121K in 2024.

FY 2025 deferred inflows increased \$224K as compared to the prior year due to changes related to the PERSI pension plan, OPEB plans and the SLIRF. The major increase was \$109K for the PERSI pension plan deferred inflows along with increases in the OPEB and SLIRF deferred inflows of \$115K. Please see footnote 10 and 11 retirement plans for a more detailed discussion

FY 2024 deferred inflows decreased \$410K as compared to the prior year due to changes related to the PERSI pension plan, OPEB plans and the SLIRF. The major decrease was \$203K for the OPEB deferred inflows along with decreases in the PERSI pension plan and SLIRF deferred inflows of \$207K. Please see footnote 10 and 11 retirement plans for a more detailed discussion.

Unearned revenue increased by \$308K and \$210K in 2025 and 2024, respectively. Included in the year-over-year changes are increases in deferred student revenues for the summer sessions and increases in deferred grants and other student aid. FY 2025 included the addition of the Idaho Department of Correction Summer Program, and FY 2024 included a \$50K prepared grant for nursing.

Net investment in capital assets, including capital leases and subscriptions decreased \$1.18M and \$2.22M in 2025 and 2024, respectively due to increased depreciation related to the LCSC Activity Center building and other DPW capital projects. Please see footnote 5 for additional details.

Unrestricted net position increased \$5.11M and \$6.84M in 2025 and 2024, respectively. Cash and cash deposits described above contributed to this increase. See the discussion from above and footnote 2.

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position, as presented on the *Statement of Net Position*, are specifically depicted by the activity presented in the *Statement of Revenues, Expenses and Changes in Net Position*. This statement presents the operating and nonoperating revenues earned by the College, operating and nonoperating expenses incurred, and all other revenues, expenses, gains, and losses earned or incurred by the College.

Generally, operating revenues are earned in return for providing goods and services to the College's various customers and constituents. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for the operating revenues and to carry out the role and mission of the College.

Nonoperating revenues are revenues received for which goods and services are not provided. For example, state appropriations are deemed nonoperating revenues because they are provided by the Idaho Legislature to the College without the legislature directly receiving value in return for those revenues.

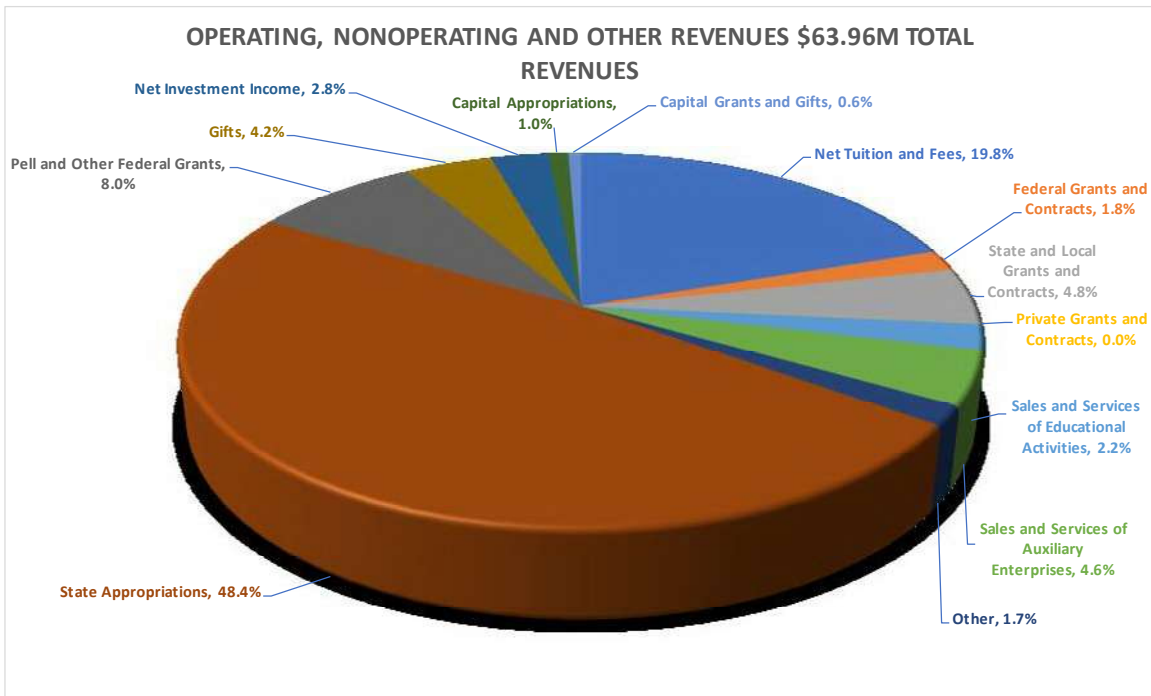
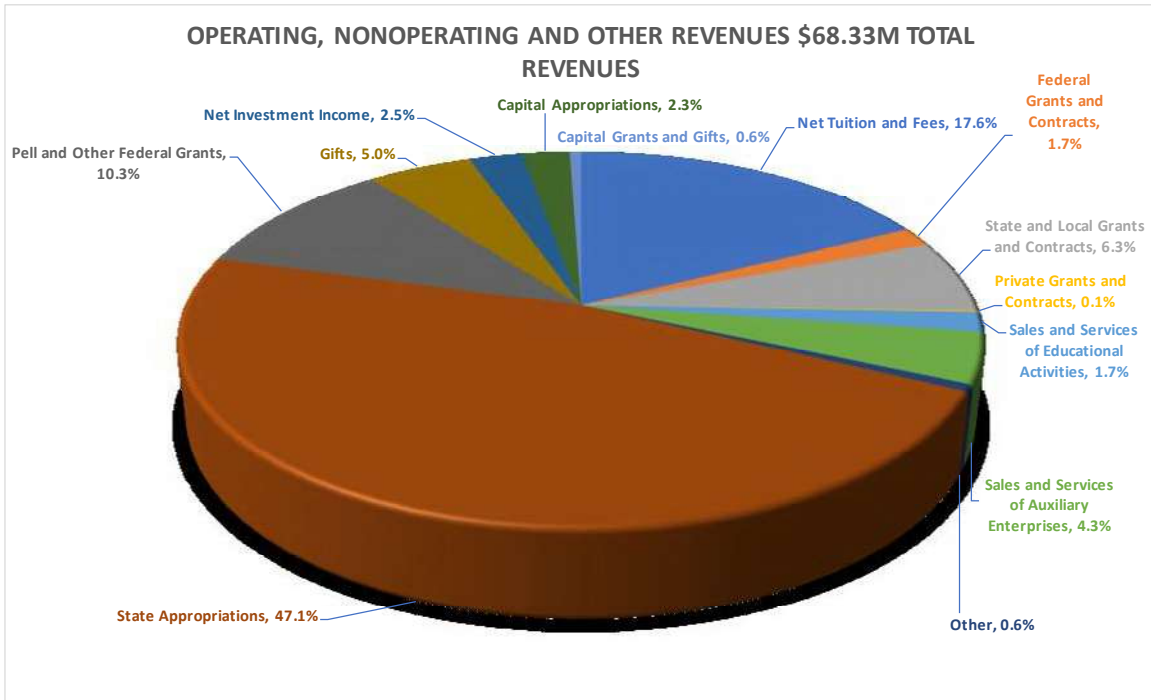
**SUMMARY STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

	2025	2024	2023
Operating Revenues	\$ 22,018,562	\$ 22,399,264	\$ 19,210,912
Operating Expenses	63,654,049	59,453,767	55,001,283
Operating Loss	(41,635,487)	(37,054,503)	(35,790,371)
Nonoperating Revenues (Expenses), Net	43,976,621	40,380,431	37,502,267
Income Before Other Revenues and Expenses	2,341,134	3,325,928	1,711,896
Other Revenues, Net	1,941,212	1,004,315	9,854,436
Increase in Net Position	4,282,346	4,330,243	11,566,332
Net Position - Beginning of Year	125,203,619	120,873,376	109,307,044
Net Position - End of Year	\$ 129,485,965	\$ 125,203,619	\$ 120,873,376

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Revenues

The College generates revenues from various sources. The following is a graphic depiction of the revenues by source (both operating, nonoperating and other), which were used to fund the College's activities for the year ended June 30, 2025 and 2024, respectively.



**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Total operating revenues for fiscal year 2025 decreased \$381K, or 1.7%. The main reason for the decrease relates to casualty loss reimbursement claims received in 2024. This decrease is offset by more timely reimbursements on grants.

Total operating revenues for fiscal year 2024 increased \$3.19M, or 16.6%. Much of the increase related to a new method for calculating revenue related to scholarship discounts and an increase in student fees of 5.6%.

Student tuition and fees increased by \$1.65 and \$5.12M for fiscal year 2025 and 2024, respectively. The scholarship discounts and allowances increased \$2.30M and \$3.18M as of June 30, 2025 and 2024, respectively. Net tuition and fees decreased by \$658k in 2025 and increased \$1.95M in 2024.

Federal grants experienced a slight decrease of \$38K in 2025 compared to an increase of \$106K in 2024. Federal grants changes during 2024 are due mainly to new grant activity such as CTE-Allied Health Hub Reno grant, obtaining equipment and receiving reimbursement, and a DNA replication grant.

Sales and services of educational activities decreased \$253K in 2025, or 17.8%. The decrease in 2025 was primarily due to additional revenue received in FY 2024 for new and updated advertising and promotional signage in the athletics facilities. There was also a decrease in facility rentals and lower shop revenue within the automotive department.

Sales and services of educational activities increased \$17K in 2024, or 1.2%. The increase in 2024 is due to hosting more educational events and an increase in revenue for live shop labs.

Sales and services of auxiliary enterprises increased \$255K and \$537K in 2025 and 2024, respectively. The increase in 2025 was mainly offset with an increase in scholarships, discounts and allowances. 2024 reflects increases in Residence Life student meal plans, increases in room rent, and continued high residence hall occupancy. This is offset by the change in auxiliary scholarships and discounts of \$616K related to the new method of calculating scholarship discounts and allowances. There were also slight increases in childcare and student union building revenue.

Other revenue decreased \$677K during 2025, as compared to the increase in 2024 of \$638K. This is reflective of casualty loss claims received in 2024.

Nonoperating revenues increased \$3.8M during fiscal year 2025. The three largest changes are State appropriations with an increase of \$1.2M, an increase in Gifts of \$767K, and an increase of Pell and other federal grants of \$1.8M.

Nonoperating revenues increased \$2.93M during fiscal year 2024. The three largest changes are State appropriations with an increase of \$1.8M, an increase in Gifts of \$192K, and a net investment income increase of \$846K.

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

State appropriations increased \$1.2M and \$1.8M during 2025 and 2024. These increases reflect an increase in state funding for personnel and benefit costs, an increase in Endowment Fund appropriation based upon the Idaho Land Board allocations, and an increase in CTE funding.

Pell and other federal grants increased by \$1.88M and \$81K during fiscal year 2025 and 2024, reflecting a 36.7% and 1.6% change, respectively.

Gift revenue increased by \$767K and \$192K during 2025 and 2024, respectively due to more private donations for the Nursing program and additional donations for athletics and auxiliaries.

Investment income decreased \$33K in 2025 and increased \$846K in 2024. The decrease reflects the lower overall interest rates experience during the year 2025. In 2024 the College increased excess deposits of cash at the LGIP during the year. The increased deposits also generated more interest revenues due to the higher interest rates compared to last fiscal year 2023.

In FY 2025 Capital appropriations increased by \$954K as compared to the prior year which represents an increase of capital asset projects paid by the DPW. The two bigger projects completed in FY 2025 included Activity Center and Library roofs.

In FY 2024 Capital appropriations decreased by \$8.7M as compared to the prior year which represents a decrease of capital asset projects paid by the DPW. These projects, when completed, are shown as State appropriations by the College. The decrease is primarily related to the LCSC Activity Center building, a fire sprinkler system in the Mechanical and Technical Building, and completion of the multiuse field and the Center for Arts and History during fiscal year 2023. See footnote 5 for more information.

Capital grants and gifts decreased by \$17K and \$134K in fiscal year 2025 and 2024, respectively. The decrease in year 2024 compared to fiscal year 2023 is primarily related to the CTE-Allied Health Hub grant having significantly less activity and there were no capitalizable in-kind gifts, as compared to the prior year.

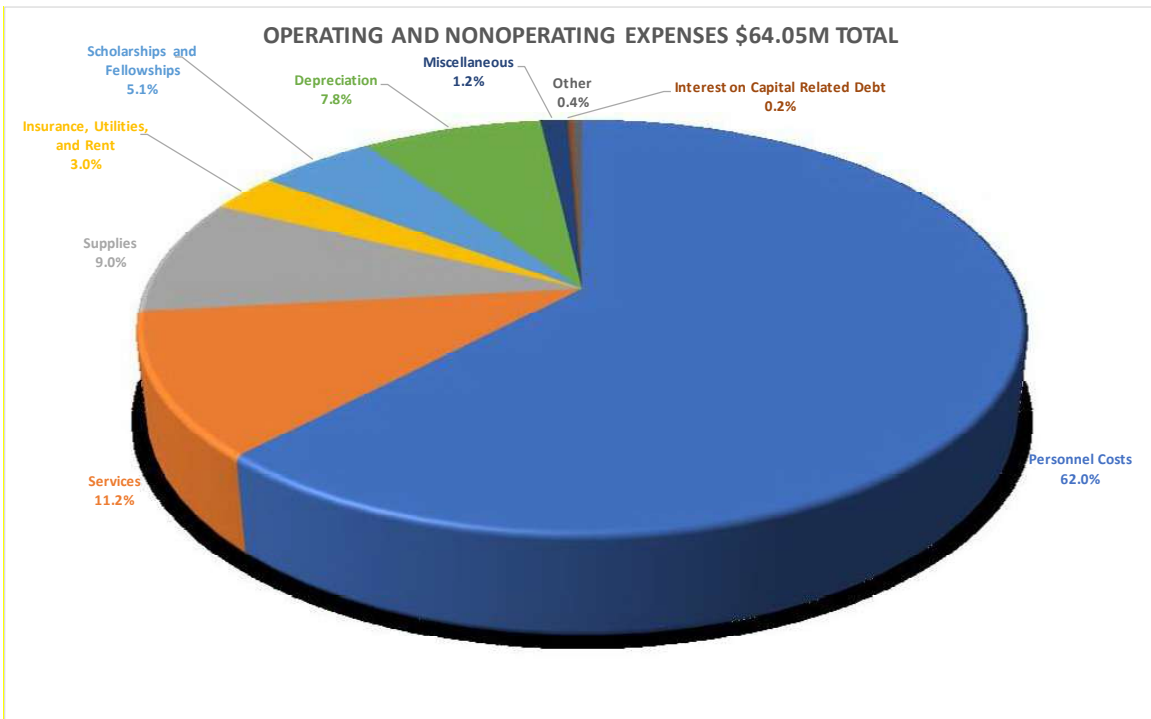
**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Expenses

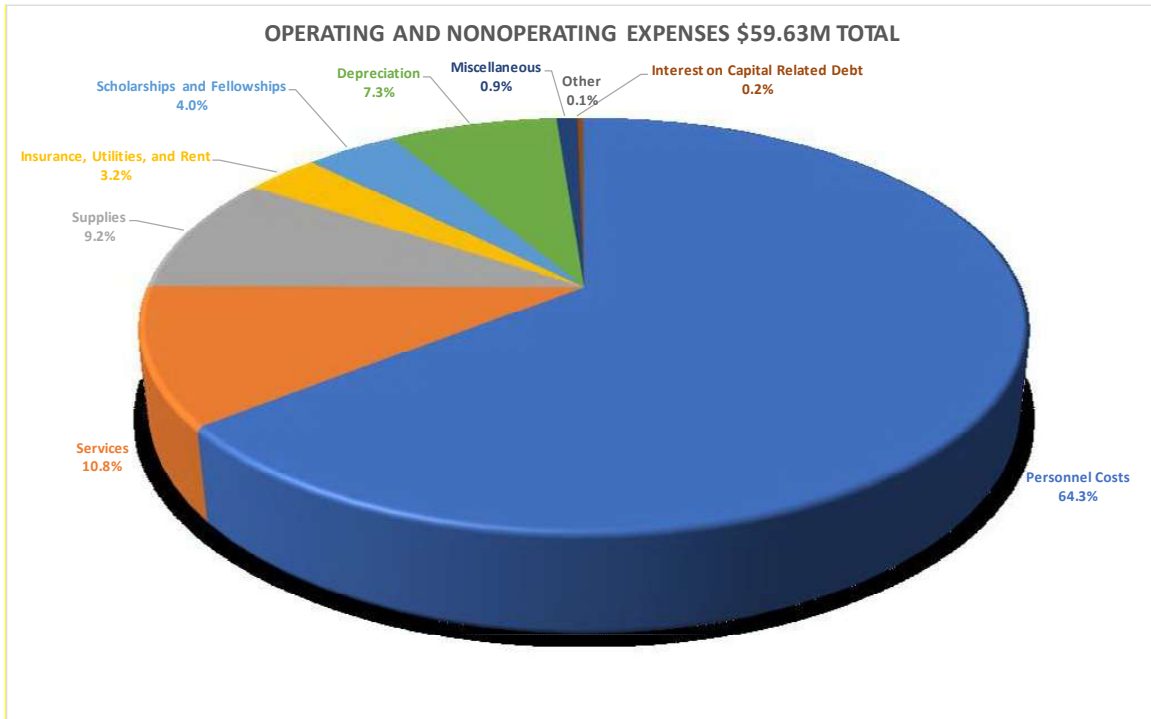
Following is a comparative summary of the College's expenses for the years ended June 30, 2025 and 2024.

	2025	2024	2023
Operating Expenses			
Personnel Costs	\$ 39,723,947	\$ 38,362,286	\$ 36,203,364
Services	7,200,128	6,423,208	6,060,940
Supplies	5,780,384	5,462,839	4,888,135
Insurance, Utilities, and Rent	1,927,282	1,921,408	1,713,807
Scholarships and Fellowships	3,249,026	2,385,982	484,948
Depreciation	5,011,238	4,356,387	5,059,432
Miscellaneous	762,044	541,657	590,657
Total Operating Expenses	<u>63,654,049</u>	<u>59,453,767</u>	<u>55,001,283</u>
Nonoperating Expenses			
Interest on Capital Related Debt	113,038	114,660	125,591
Other	282,765	58,119	
Total Operating and Nonoperating Expenses	<u>\$ 64,049,852</u>	<u>\$ 59,626,546</u>	<u>\$ 55,126,874</u>

The following is a graphic depiction of total expenses by natural classification for the year ended June 30, 2025 and 2024, respectively.



**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**



Total operating expenses increased \$4.20 and \$4.45M, or 7.1% and 8.1%, in fiscal year 2025 and 2024, respectively. The changes are primarily due to personnel costs, services, supplies, scholarships and depreciation.

Personnel costs increased \$1.36M, or 3.5% and \$2.16M during 2025 and 2024 respectively. This reflects the annual increases in salaries and the filling of vacant positions. Increases also occurred in fringe benefits which include health insurance, retirement, sick leave, postemployment retirement, and pensions. The College was not required to pay towards the retirement sick leave plan after January 2020 when the PERSI board enacted an 18-month sick leave contribution holiday effective January 1, 2020, due to the sick leave fund being overfunded. The sick leave holiday has been extended to include the fiscal year 2025.

Service expenses increased \$777K and \$362K during fiscal year 2025 and 2024, respectively. The increase in 2025 is due to new and renewed software purchases as well as campus landscape projects. The increase in 2024 is primarily related to increasing instructional and athletic travel, an increase in technology investments, and professional services.

Supplies expenses increased \$318K and \$575K during 2025 and 2024, respectively. The increase in 2025 is due to continued campus maintenance. The 2024 increase reflects the repair and maintenance costs related to several natural disasters throughout fiscal year 2024.

Insurance, utilities, and rent increased by \$6K and \$208K in 2025 and 2024. Rate increases in 2024 utility and insurance costs factored into this increase.

**LEWIS-CLARK STATE COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEARS ENDED JUNE 30, 2025 AND 2024**

Scholarship expenses increased \$863K and \$1.9M in 2025 and 2024, respectively. The primary increase in 2025 is due to increased Western Undergraduate Exchange waivers being granted. The 2024 increase is primarily related to student scholarships and updating the method of recognition compared to the prior year.

Economic Outlook

The College, as a state institution, is directly impacted by trends in the Idaho economy, which continues to show positive signs. The state of Idaho ended fiscal year 2025 with a \$345M surplus. The College's headcount enrollment for Fall 2025 is estimated to be flat compared to Fall 2024. With a 4% increase in the full-time and a 1.1% increase in the part-time tuition rate, the College is projecting student tuition revenues to be \$16.9M in fiscal year 2026.

The College's general fund appropriation for fiscal year 2026 increased by 7.3% over the fiscal year 2025 level resulting in \$24M. There were four key components of the increase. The first was an increase of \$387,900 for the Operational Capacity Enhancement. Second was \$387,000 in funding to bring faculty salaries to match K-12 starting salaries. Third was funding of \$799,100 for a change in employee compensation. Finally, \$102,500 was lost for Enrollment Workload Adjustment (EWA). The College's Normal School endowment distribution increased by 7% over the fiscal year 2025 level resulting in \$3.89M.

The College is also directly and indirectly impacted by national and global health and economic trends. Among the potential negative trends impacting virtually all higher education are concerns about the decreasing size of high school graduating classes, rapidly increasing health care costs, and changes in federal regulations. On the positive side, the College is implementing many different strategies to recruit and retain students, and it appears the College is maintaining stable enrollment.

In summary, while the economic outlook is generally positive, the State of Idaho FY 2026 general fund revenue collections are below the current forecasted levels. To offset this revenue shortfall the state has implemented a 3% holdback for all state agencies. In the near term, this should not have a material impact on the financial health and viability of the College. The College has limited indebtedness, allowing for greater financial flexibility.

**LEWIS-CLARK STATE COLLEGE
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024**

	2025	2024
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 1,578,742	\$ 2,211,497
Cash With Treasurer	34,039,614	29,035,709
State of Idaho LGIP Deposits	32,429,861	30,599,237
Accounts Receivable and Unbilled Charges	1,227,118	1,212,801
Student Loans Receivable	82,304	67,810
Prepaid Expenses	185,528	169,770
Total Current Assets	69,543,167	63,296,824
Noncurrent Assets:		
Investments	259,025	250,872
Student Loans Receivable, Net of Allowances	212,906	252,358
Sick Leave Reserve Fund Excess Funding	3,317,526	2,973,073
SBITA, Net	1,182,502	1,334,739
Leases Asset, Net	82,108	116,717
Capital Assets, Net	78,236,108	80,045,084
Total Noncurrent Assets	83,290,175	84,972,843
Total Assets	152,833,342	148,269,667
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	1,475,727	2,342,145
Deferred Outflows Related to Other Postemployment Benefits	1,733,499	1,685,959
Deferred Outflows Related to Sick Leave Insurance Reserve Fund	317,825	561,084
Total Deferred Outflows of Resources	3,527,051	4,589,188
Total Assets and Deferred Outflows of Resources	\$ 156,360,393	\$ 152,858,855

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
STATEMENTS OF NET POSITION (CONTINUED)
JUNE 30, 2025 AND 2024**

	2025	2024
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	\$ 840,434	\$ 880,099
Accrued Salaries and Benefits Payable	2,722,813	2,433,624
Compensated Absences Payable	1,092,545	999,449
Due to Component Unit	283,697	1,118,722
Due of State of Idaho	1,324,874	919,186
Unearned Revenue	1,735,017	1,427,007
Other Liabilities	381,824	370,442
Accrued Interest Payable	39,432	47,528
Lease Liability	29,570	46,139
SBITA Liability	533,038	485,273
Notes and Bonds Payable	173,208	169,608
Total Current Liabilities	9,156,452	8,897,077
Noncurrent Liabilities:		
Net PERSI Pension Liability	4,067,926	4,793,717
Total Other Postemployment Benefit Liability	6,522,524	6,410,164
Lease Liability	53,433	71,012
SBITA Liability	276,469	636,583
Notes and Bonds Payable	3,128,469	3,401,677
Total Noncurrent Liabilities	14,048,821	15,313,153
 Total Liabilities	 23,205,273	 24,210,230
 DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pensions	466,006	357,157
Deferred Inflows Related to Other Post Employment Benefits	2,862,081	2,780,574
Deferred Inflows Related to Sick Leave Insurance Reserve Fund	341,068	307,275
Total Deferred Inflows of Resources	3,669,155	3,445,006
 Total Liabilities and Deferred Inflows of Resources	 26,874,428	 27,655,236
 NET POSITION		
Net Investment in Capital Assets	75,195,789	76,376,139
Restricted, Expendable	3,793,218	3,443,232
Unrestricted	50,496,958	45,384,248
Total Net Position	129,485,965	125,203,619
 Total Liabilities, Deferred Inflows of Resources, and Net Position	 <u>\$ 156,360,393</u>	 <u>\$ 152,858,855</u>

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
 COMPONENT UNIT – LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2025 AND 2024**

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,075,612	\$ 1,094,718
Due from Lewis-Clark State College	283,697	1,118,722
Pledges Receivable	100,000	100,000
Total Current Assets	1,459,309	2,313,440
NONCURRENT ASSETS		
Investments	20,035,465	17,809,812
Long-Term Pledges Receivable (Net of Discounts)	364,793	441,085
Total Noncurrent Assets	20,400,258	18,250,897
Total Assets	\$ 21,859,567	\$ 20,564,337
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Gift Annuities Payable	\$ 6,569	\$ 21,485
Accounts payable LCSC	-	49
Total Current Liabilities	6,569	21,534
NONCURRENT LIABILITIES		
Gift Annuities Payable	275,735	309,687
Total Noncurrent Liabilities	275,735	309,687
Total Liabilities	282,304	331,221
NET ASSETS		
Without Donor Restrictions	1,230,279	1,221,531
With Donor Restrictions	20,346,984	19,011,585
Total Net Assets	21,577,263	20,233,116
Total Liabilities and Net Assets	\$ 21,859,567	\$ 20,564,337

See accompanying Notes to Financial Statements.

LEWIS-CLARK STATE COLLEGE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
Student Tuition and Fees	\$ 26,031,209	\$ 24,385,885
Less: Scholarship Discounts and Allowances	<u>(14,032,303)</u>	<u>(11,728,361)</u>
Net Tuition and Fees	11,998,906	12,657,524
Federal Grants and Contracts	1,131,213	1,168,828
State and Local Grants and Contracts	4,287,142	3,098,724
Private Grants and Contracts	74,014	20,558
Sales and Services of Educational Activities	1,167,057	1,420,320
Sales and Services of Auxiliary Enterprises	3,823,206	3,568,678
Less: Scholarship Discounts and Allowances	<u>(866,278)</u>	<u>(616,091)</u>
Subtotal	2,956,928	2,952,587
Other	<u>403,302</u>	<u>1,080,723</u>
Total Operating Revenues	<u>22,018,562</u>	<u>22,399,264</u>
 OPERATING EXPENSES		
Personnel Costs	39,723,947	38,362,286
Services	7,200,128	6,423,208
Supplies	5,780,384	5,462,839
Insurance, Utilities, and Rent	1,927,282	1,921,408
Scholarships and Fellowships	3,249,026	2,385,982
Depreciation and Amortization	5,011,238	4,356,387
Miscellaneous	<u>762,044</u>	<u>541,657</u>
Total Operating Expenses	<u>63,654,049</u>	<u>59,453,767</u>
 OPERATING LOSS	 (41,635,487)	 (37,054,503)
 NONOPERATING REVENUE (EXPENSES)		
State Appropriations	32,180,696	30,979,950
Pell and Other Federal Grants	7,019,027	5,134,142
Gifts (Includes Foundation Gifts of \$1,800,053 in 2025 and \$1,331,615 in 2024)	3,431,583	2,664,554
Net Investment Income	1,741,118	1,774,564
Interest on Capital Asset Related Debt	(113,038)	(114,660)
Other	<u>(282,765)</u>	<u>(58,119)</u>
Total Nonoperating Revenue, Net	<u>43,976,621</u>	<u>40,380,431</u>
 INCOME BEFORE OTHER REVENUE	 2,341,134	 3,325,928
 OTHER REVENUE		
Capital Appropriations	1,565,074	610,583
Capital Grants and Gifts	<u>376,138</u>	<u>393,732</u>
Total Other Revenue	<u>1,941,212</u>	<u>1,004,315</u>
 NET INCREASE IN NET POSITION	 4,282,346	 4,330,243
 Net Position - Beginning of Year	 <u>125,203,619</u>	 <u>120,873,376</u>
 NET POSITION - END OF YEAR	 <u><u>\$ 129,485,965</u></u>	 <u><u>\$ 125,203,619</u></u>

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
 COMPONENT UNIT – LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions and Gifts	\$ 16,378	\$ 1,614,744	\$ 1,631,122
Changes in split interest agreements	-	27,721	27,721
Donation Fees	25,330	-	25,330
Donated Materials and Services	2,330	-	2,330
Interest	13,114	-	13,114
Roundup Transfers	-	5,837	5,837
Net Realized and Unrealized Gain on Investments	103,097	1,793,024	1,896,121
Fees and Miscellaneous	81,503	4,845	86,348
Net Realized and Unrealized Pledge Discount	-	23,708	23,708
Net Change in Value of Gift Annuities	-	(35,116)	(35,116)
Net Assets Released from Restrictions	<u>2,099,364</u>	<u>(2,099,364)</u>	<u>-</u>
Total Revenues	<u>2,341,116</u>	<u>1,335,399</u>	<u>3,676,515</u>
EXPENSES			
Program Services:			
Academic, Development, and Program Support	2,327,678	-	2,327,678
Support Services:			
Management and General	<u>183,607</u>	<u>-</u>	<u>183,607</u>
Total Expenses	<u>2,511,285</u>	<u>-</u>	<u>2,511,285</u>
CHANGE IN NET ASSETS BEFORE EQUITY TRANSFER	(170,169)	1,335,399	1,165,230
Equity Transfer - Donated Services from Affiliate	<u>178,917</u>	<u>-</u>	<u>178,917</u>
CHANGE IN NET ASSETS	8,748	1,335,399	1,344,147
Net Assets - Beginning of Year	<u>1,221,531</u>	<u>19,011,585</u>	<u>20,233,116</u>
NET ASSETS - END OF YEAR	<u><u>\$ 1,230,279</u></u>	<u><u>\$ 20,346,984</u></u>	<u><u>\$ 21,577,263</u></u>

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
 COMPONENT UNIT – LEWIS-CLARK STATE COLLEGE FOUNDATION, INC.
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Contributions and Gifts	\$ 18,513	\$ 2,682,656	\$ 2,701,169
Changes in split interest agreements	-	150,545	150,545
Donation Fees	54,909	-	54,909
Donated Materials and Services	42,583	-	42,583
Interest	12,145	-	12,145
Roundup Transfers	-	4,130	4,130
Net Realized and Unrealized Gain on Investments	114,776	2,007,154	2,121,930
Fees and Miscellaneous	71,922	4,329	76,251
Net Realized and Unrealized Pledge Discount	-	16,359	16,359
Net Change in Value of Gift Annuities	-	(74,929)	(74,929)
Net Assets Released from Restrictions	1,511,925	(1,511,925)	-
Total Revenues	1,826,773	3,278,319	5,105,092
EXPENSES			
Program Services:			
Academic, Development, and Program Support	1,579,834	-	1,579,834
Support Services:			
Management and General	262,499	-	262,499
Total Expenses	1,842,333	-	1,842,333
CHANGE IN NET ASSETS BEFORE EQUITY TRANSFER	(15,560)	3,278,319	3,262,759
Equity Transfer - Donated Services from Affiliate	198,863	-	198,863
CHANGE IN NET ASSETS	183,303	3,278,319	3,461,622
Net Assets - Beginning of Year	1,038,228	15,733,266	16,771,494
NET ASSETS - END OF YEAR	\$ 1,221,531	\$ 19,011,585	\$ 20,233,116

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Student Fees	\$ 12,101,880	\$ 12,683,270
Grants and Contracts	5,763,187	4,748,065
Sales and Services of Educational Activities	1,167,057	1,391,484
Sales and Services of Auxiliary Enterprises	2,956,928	2,980,358
Payments to Employees	(39,013,260)	(37,674,702)
Payments to Suppliers	(15,319,573)	(13,187,834)
Student Loan Receipts	7,139,154	7,646,929
Student Loan Payments	(7,139,154)	(7,646,929)
Loans Issued to Students	(3,249,026)	(2,385,982)
Other Receipts	348,161	1,129,655
Net Cash Used by Operating Activities	(35,244,646)	(30,315,686)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	1,732,965	1,768,559
Net Cash Provided by Investing Activities	1,732,965	1,768,559
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Appropriations	32,180,696	30,979,950
Federal Grants	7,019,027	5,134,142
Gifts	3,431,583	2,664,554
Agency Account Receipts	(835,025)	335,305
Other Noncapital Financing Receipts	11,382	(10,885)
Net Cash Provided by Noncapital Financing Activities	41,807,663	39,103,066
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Appropriations	346,759	610,583
Capital Grants and Gifts	376,138	393,732
Purchase of Capital Assets	(1,795,156)	(1,464,421)
Principal Payments on Capital Debt	(908,911)	(700,269)
Interest Paid on Capital Debt	(113,038)	(114,659)
Net Cash Used by Capital and Related Financing Activities	(2,094,208)	(1,275,034)
NET CHANGE IN CASH AND CASH EQUIVALENTS	6,201,774	9,280,905
Cash and Cash Equivalents - Beginning of Year	61,846,443	52,565,538
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 68,048,217	\$ 61,846,443

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025	2024
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	\$ (41,635,487)	\$ (37,054,503)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation and Amortization	5,011,238	4,356,387
Changes in Operating Assets and Liabilities:		
Receivables, Net	(14,317)	344,273
Prepaid Expenses and Deferred Costs	(15,758)	71,208
Loans to Students	24,958	(20,548)
pension Assets and Liabilities	249,476	475,041
Other Postemployment Benefit Assets and Liabilities	146,327	113,761
Sick Leave Reserve Fund Assets and Liabilities	(67,401)	(41,106)
Accounts Payable and Accrued Liabilities	748,308	1,229,958
Unearned Revenue	308,010	209,843
Net Cash Used by Operating Activities	\$ (35,244,646)	\$ (30,315,686)
 SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITY		
Capital Assets Acquired through Department of Public Works' Appropriations	\$ 1,218,315	\$ 610,583
 Capital Assets Acquired by incurring Lease/SBITA Obligations	\$ 284,710	\$ -

See accompanying Notes to Financial Statements.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Lewis-Clark State College (the College) is part of the public system of higher education in the state of Idaho. The system is considered part of the state of Idaho financial reporting entity. The State Board of Education, appointed by the Governor and confirmed by the legislature, directs the system. The College is located in Lewiston, Idaho. Significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

The College has presented its financial statements in accordance with all Governmental Accounting Standards Board (GASB) statements that are effective as of June 30, 2025. This includes discrete presentation of financial statements for its component unit, the Lewis-Clark State College Foundation (the Foundation). The Foundation acts solely as a fund-raising organization to supplement the resources that are available to the College in support of its programs, and the resources and income of the Foundation are donor restricted to the activities of the College. Because these restricted resources held by the Foundation can only be used by or for the benefit of the College, the Foundation is considered a component unit of the College. The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards, *Financial Reporting for Not-for-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the College's financial reporting entity for these differences. See Note 15 for the relevant information related to the Foundation.

Basis of Accounting

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents

The College considers all cash on hand, cash deposits, and short-term instruments deposited with banks to be cash equivalents.

Cash with Treasurer

Balances classified as cash with treasurer are amounts that are required to be remitted to the state of Idaho as a result of the student fee collection process and once remitted, these balances are under the control of the State Treasurer.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Student Loans Receivable

Nursing Student Loans receivable from students bear interest at the rate of 5% and are generally repayable in installments to University Accounting Services on behalf of the College over a 10-year period commencing nine months after the date of separation from the College.

Accounts Receivable

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

Investments

The College accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gains and losses on the carrying value of investments are reported as a component of net investment income in the statement of revenues, expenses, and changes in net position.

Additional disclosure is required of fair value measurement through GASB Statement No. 72, *Fair Value Measurement and Application*, which requires the use of a three-level hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, permits qualifying external investment pools to measure its investments at amortized cost. The Idaho Local Government Investment Pool (LGIP) does not meet all the specific criteria of Statement 79 and the College has measured its investment in the LGIP as provided in GASB Statement 31.

More comprehensive disclosure of common risks associated with the deposits and investments are detailed in Notes 2 and 15, as per the requirements of GASB Statement No. 40, *Deposit and Investment Risk Disclosures*.

Deferred Outflows of Resources

Deferred outflows of resources are a consumption of net assets by the College that are applicable to future reporting periods. Similar to assets, they have a positive effect on net position. The College's deferred outflows of resources relate to the College's pension, other postemployment benefit plans and sick leave insurance reserve fund.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets, Net

Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated fair value at the date of gift. The College's capitalization policy includes all items with a unit cost of \$5,000 or more, and an estimated useful life of greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Buildings	50 Years
Building Improvements	10 to 40 Years
Library Books	10 Years
Equipment	5 to 15 Years

Right-to-Use Assets

Lease and Subscription-Based Information Technology Arrangements (SBITAs) assets represent the College's control of the right to use another entity's nonfinancial asset for the lease or SBITA term, as specified in the contract, in an exchange or exchange-like transaction. These assets are recognized at the commencement date based on the initial measurement of the liability, plus any payments made to the vendor at or before the commencement of the lease or SBITA term. The College applies a capitalization threshold of \$5,000 or more for right-to-use assets. Right-to-Use Assets are amortized in a systematic and rational manner over the shorter of the lease/subscription term or the useful life of the underlying assets.

Compensated Absences

The liability for compensated absences reported consists of leave that has not been used that is attributable to services already rendered, accumulates and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

Unearned Revenues

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

Noncurrent Liabilities

Noncurrent liabilities include: 1) principal amounts of revenue bonds payable with contractual maturities greater than one year; and 2) estimated amounts for other liabilities that will not be paid within the next fiscal year.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

Measurement of the net pension liability includes; (1) deferred outflows of resources and deferred inflows of resources related to pension, (2) information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and (3) additions to/deductions from the Base Plan's fiduciary net position. These liabilities have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the state of Idaho postemployment benefit plans and additions to and deductions from the plans have been determined on the same basis as they are reported by the Idaho plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Sick Leave Insurance Reserve Fund (SLIRF)

For purposes of measuring the total SLIRF asset, deferred outflows of resources and deferred inflows of resources related to SLIRF, SLIRF expense, information about the state of Idaho sick leave insurance fund and additions to and deductions from the fund have been determined on the same basis as they are reported by the Idaho fund. For this purpose, fund payments are recognized when due and payable in accordance with the fund terms. Investments are reported at fair value.

Deferred Inflows of Resources

Deferred inflows of resources are an acquisition of net assets that are applicable to future reporting periods. Similar to liabilities, they have a negative effect on net position. The College's deferred inflows of resources relate to the College's pension plan, OPEB plans and sick leave insurance reserve fund (SLIRF.)

Net Position

The College's net position is classified as follows:

Net Investment in Capital Assets – This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

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

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)

Unrestricted – Unrestricted net position represents resources derived from student fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions related to the educational and general operations of the College and may be used to meet current expenses for any lawful purpose in compliance with State Board of Education (the Board) Policy.

When an expense is incurred that can be paid using either restricted or unrestricted resources, restricted resources will be used first, if permitted by the terms of the restrictions.

Income Taxes

The College, as a political subdivision of the state of Idaho, is excluded from federal income taxes under Section 115(1) of the Internal Revenue Code (IRC), as amended. Activities unrelated to those of the College are subject to corporate tax rates.

Classification of Revenues and Expenses

The College has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

Operating Revenues and Expenses

Operating revenues and expenses include activities that have the characteristics of exchange transactions, such as student fees, sales and services of educational activities and auxiliary enterprises, as well as most gifts, federal, state and local grants and contracts that support operations, interest revenue on institutional loans; and expenses such as personnel, services, supplies, scholarships and depreciation.

Nonoperating Revenues and Expenses

Nonoperating revenues and expenses include revenues and expenses from activities that have the characteristics of nonexchange transactions, such as gifts and capital contributions, federal financial aid grants, and other revenue resources that are defined as nonoperating 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, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, such as state appropriations and investment income; and expenses such as interest on capital asset related debt and other.

Use of Accounting Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements, and revenues and expenses during the year. Actual results could differ from those estimates.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Scholarship Discounts and Allowances

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

New Accounting Standards

The Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, to enhance the recognition and measurement guidance for compensated absences. The Statement is effective for fiscal years beginning after December 15, 2023. The provisions of GASB 101 require recognition of liabilities for leave that is attributable to services already rendered, accumulates, and is more likely than not to be used or otherwise paid or settled. The Statement also revises disclosure requirements, including the elimination of certain previously required fund-level disclosures. Upon evaluation, the implementation of GASB 101 did not result in a material change to the financial statements. The College's existing policies and estimates for compensated absences were already aligned with the recognition and measurement criteria outlined in the Statement. Accordingly, no adjustments to beginning balances or current period liabilities were necessary, and no additional disclosures are required.

The Governmental Accounting Standards Board (GASB) issued Statement No. 102, *Certain Risk Disclosures*, effective for fiscal years beginning after June 15, 2024. This Statement requires governments to disclose vulnerabilities arising from certain concentrations or constraints that could result in a substantial impact on financial condition or service delivery. A concentration is defined as a lack of diversity in a significant inflow or outflow of resources, while a constraint refers to a limitation imposed by an external party or formal action of the government's highest decision-making authority. Disclosure is required only when all three of the following conditions are met:

1. The concentration or constraint is known prior to the issuance of the financial statements.
2. It makes the reporting unit vulnerable to the risk of a substantial impact.
3. An event associated with the concentration or constraint has occurred, begun to occur, or is more likely than not to occur within 12 months of the financial statement issuance date.

Based on management's evaluation of existing concentrations and constraints, none met all three criteria required for disclosure under GASB 102. Therefore, the implementation of GASB Statement No. 102 did not result in any additional disclosures or impact to the financial statements for the current reporting period.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH, CASH EQUIVALENTS, CASH WITH TREASURER, LGIP DEPOSITS, AND INVESTMENTS

Deposits

Cash and cash equivalents are deposited with various financial institutions. Cash with treasurer is under the control of the State Treasurer. Deposits are held with the Idaho State Treasury Local Government Investment Pool (LGIP).

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the College's deposits may not be returned. The State's policy for managing custodial risk can be found in the Idaho Code, Section 67-2739. Management believes the College is in compliance with this policy.

As of June 30, 2025 and 2024 total deposits consisted of the following:

	<u>2025</u>	<u>2024</u>
Cash on Hand	\$ 14,170	\$ 13,987
FDIC/NCUA Insured Financial Institution Deposits	671,069	653,695
Uninsured Financial Institution Deposits	<u>893,503</u>	<u>1,543,815</u>
Total Cash and Cash Equivalents	1,578,742	2,211,497
Idaho State Treasurer Deposits	34,039,614	29,035,709
State of Idaho LGIP Deposits	<u>32,429,861</u>	<u>30,599,237</u>
Total Deposits	<u>\$ 68,048,217</u>	<u>\$ 61,846,443</u>

As of June 30, 2025 and 2024, \$893,503 and \$1,543,815, respectively, of the College's financial institution balances were uncollateralized and exposed to custodial credit risk. The Idaho State Treasurer and state of Idaho LGIP deposits, managed by the Idaho State Treasurer, are commingled with deposits from other state agencies and invested according to Idaho Code. As of June 30, 2025 and 2024, 79.6% and 78.0%, respectively, of total State Treasurer investments were in the form of government agency and U.S. Treasury notes. As of June 30, 2025 and 2024, 59.4% and 68.5%, respectively, total LGIP investments were in the form of government agency and U.S. Treasury notes.

A 36-month certificate of deposit with a maturity date of October 26, 2026 is recorded as a noncurrent investment as of June 30, 2025 and 2024.

Fair Value Measurement

The College categorizes its fair value measurements within the fair value hierarchy established by GASB Statement 72. The Idaho State Treasurer and state of Idaho LGIP deposits do not meet the criteria of Statement 72 and are exempt from the level categories. The deposits are valued at fair value outside the leveling measurement. The CD investment is valued at Level 1 since it is a negotiable CD with minimal early withdrawal penalties.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 CASH, CASH EQUIVALENTS, CASH WITH TREASURER, LGIP DEPOSITS, AND INVESTMENTS (CONTINUED)

Credit Risk

None of the investments have assigned credit ratings. The College follows objectives to provide safety of the principal, allow liquidity and achieve a maximum return through investments in local financial institutions and in investment pools managed by the state of Idaho.

Interest Rate Risk

The College seeks to control interest rate risk in long-term investments by attempting to match anticipated cash requirements for investment maturities. The College incorporates weighted average maturity methodology in selecting and reporting its investments. The College held one certificate of deposit with a maturity more than one year, as of June 30, 2025 and 2024. The College's State Treasurer and LGIP deposits may be withdrawn at any time. The State Treasurer has a weighted average maturity of 310 and 274 days as of June 30, 2025 and 2024, respectively. The LGIP has a weighted average maturity of 76 and 106 days as of June 30, 2025 and 2024, respectively.

Foreign Currency Risk

The College has no funds deposited that are subject to foreign currency risk, either in financial institutions or through the Idaho State Treasurer or the state of Idaho LGIP funds.

NOTE 3 ACCOUNTS RECEIVABLE AND UNBILLED CHARGES

Accounts receivable and unbilled charges consisted of the following at June 30, 2025 and 2024:

	2025	2024
Student Fees	310,075	\$ 232,027
Federal, State, and Nongovernmental Grants and Contracts	623,227	742,099
Other Receivables	293,816	238,675
Total	\$ 1,227,118	\$ 1,212,801

NOTE 4 STUDENT LOANS RECEIVABLE

Student loans made through the Federal Perkins Loan Program (FPLP) and the Nursing Student Loan Program (NSLP) comprise the loans receivable at June 30, 2025 and 2024.

FPLP requires the College to match federal contributions. A portion or all of the loan principal and interest may be cancelled upon the occurrence of certain events. The amount of such cancellations is partially absorbed by the Federal Government.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 4 STUDENT LOANS RECEIVABLE (CONTINUED)

The FPLP expired September 30, 2017 and the College can no longer make new loans to students. During the fiscal year 2025 and 2024 the College was required to return federal Perkins excess cash of \$21,031 and \$15,872, respectively, to the Department of Education. Institutional excess cash and service cancellation reimbursements of \$3,319 and \$2,746 were transferred out of the College's Perkins Revolving Fund during the year ended June 30, 2025 and June 30, 2024, respectively.

As the College determines that loans are uncollectible and not eligible for reimbursement by the Federal Government, the loans are written off and assigned to the U.S. Department of Education. The allowance for uncollectible loans only applies to College funded loans and the College portion of federal student loans, as the College is not obligated to fund the federal portion of uncollected student loans. The College has provided an allowance for uncollectible loans, which is believed to be sufficient to absorb the College's portion of the loans that will ultimately be written off.

Student loans receivable at June 30, 2025 and 2024 consisted of the following:

<u>June 30, 2025</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Federal Perkins Loan Program	\$ 9,398	\$ 43,989	\$ 53,387
Nursing Student Loan Program	66,906	226,692	293,598
Miscellaneous Loans	6,000	2,023	8,023
Total	<u>82,304</u>	<u>272,704</u>	<u>355,008</u>
Less: Allowance for Doubtful Accounts	-	(59,798)	(59,798)
Student Loans Receivable, Net	<u>\$ 82,304</u>	<u>\$ 212,906</u>	<u>\$ 295,210</u>
<u>June 30, 2024</u>			
Federal Perkins Loan Program	\$ 21,319	\$ 41,467	\$ 62,786
Nursing Student Loan Program	40,492	269,756	310,248
Miscellaneous Loans	5,999	933	6,932
Total	<u>67,810</u>	<u>312,156</u>	<u>379,966</u>
Less: Allowance for Doubtful Accounts	-	(59,798)	(59,798)
Student Loans Receivable, Net	<u>\$ 67,810</u>	<u>\$ 252,358</u>	<u>\$ 320,168</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 5 CAPITAL ASSETS, NET

Following are the changes in capital assets, for the years ended June 30, 2025:

	2025				End of Year
	Beginning of Year	Additions	Transfers	Retirements	
Capital Assets Not Being Depreciated:					
Land	\$ 3,452,572	\$ 44,248	\$ -	\$ -	\$ 3,496,820
Capitalized Collections	15,000		-	-	15,000
Construction in Progress	519,824	44,364	-	(100,975)	463,213
Construction in Progress - SBITA	136,135	177,001	(59,604)	-	253,532
Total Capital Assets Not Being Depreciated	4,123,531	265,613	(59,604)	(100,975)	4,228,565
Other Capital Assets:					
Buildings and Improvements	115,722,558	1,761,889	-	(486,172)	116,998,275
Furniture, Fixtures, and Equipment	12,768,391	1,118,606	-	(668,870)	13,218,127
Library Materials	4,812,663	11,285	-	(791)	4,823,157
Right-to-Use Equipment and Fixtures	211,893	24,281	-	(37,405)	198,769
Right-to-Use SBITA	1,895,376	217,480	59,604	(43,330)	2,129,130
Total Other Capital Assets	135,410,881	3,133,541	59,604	(1,236,568)	137,367,458
Less Accumulated Depreciation:					
Buildings and Improvements	43,614,423	3,373,833	-	(217,084)	46,771,172
Furniture, Fixtures, and Equipment	9,312,415	905,884	-	(655,195)	9,563,104
Library Materials	4,319,085	125,912	-	(791)	4,444,206
Less Accumulated Amortization:					
Right-to-Use Equipment and Fixtures	95,176	58,892	-	(37,406)	116,662
Right-to-Use SBITA	696,773	546,718	-	(43,330)	1,200,161
Total Accumulated Depreciation and Amortization	58,037,872	5,011,239	-	(953,806)	62,095,305
Total Other Capital Assets, Net of Accumulated Depreciation and Amortization	77,373,009	(1,877,698)	59,604	(282,762)	75,272,153
Capital Assets Summary:					
Capital Assets Not Being Depreciated	4,123,531	265,613	(59,604)	(100,975)	4,228,565
Other Capital Assets, at Cost	135,410,881	3,133,541	59,604	(1,236,568)	137,367,458
Total Cost of Capital Assets	139,534,412	3,399,154	-	(1,337,543)	141,596,023
Less: Accumulated Depreciation and Amortization	(58,037,872)	(5,011,239)	-	953,806	(62,095,305)
Capital Assets, Net	<u>\$ 81,496,540</u>	<u>\$ (1,612,085)</u>	<u>\$ -</u>	<u>\$ (383,737)</u>	<u>\$ 79,500,718</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 5 CAPITAL ASSETS, NET (CONTINUED)

Following are the changes in capital assets, for the years ended June 30, 2024:

	2024				End of Year
	Beginning of Year	Additions	Transfers	Retirements	
Capital Assets Not Being Depreciated:					
Land	\$ 3,452,572	\$ -	\$ -	\$ -	\$ 3,452,572
Capitalized Collections	15,000	-	-	-	15,000
Construction in Progress	462,167	57,657	-	-	519,824
Construction in Progress - SBITA	85,178	122,157	(71,200)	-	136,135
Total Capital Assets Not Being Depreciated	4,014,917	179,814	(71,200)	-	4,123,531
Other Capital Assets:					
Buildings and Improvements	115,320,438	618,357	-	(216,237)	115,722,558
Furniture, Fixtures, and Equipment	12,379,119	592,535	-	(203,263)	12,768,391
Library Materials	5,637,485	23,478	-	(848,300)	4,812,663
Right-to-Use Buildings and Land	10,653	-	-	(10,653)	-
Right-to-Use Equipment and Fixtures	126,738	86,427	-	(1,272)	211,893
Right-to-Use SBITA	1,449,981	489,794	71,200	(115,599)	1,895,376
Total Other Capital Assets	134,924,414	1,810,591	71,200	(1,395,324)	135,410,881
Less Accumulated Depreciation:					
Buildings and Improvements	40,897,216	2,879,755	-	(162,548)	43,614,423
Furniture, Fixtures, and Equipment	8,663,084	848,167	-	(198,836)	9,312,415
Library Materials	5,016,989	150,396	-	(848,300)	4,319,085
Less Accumulated Amortization:					
Right-to-Use Assets	57,403	49,698	-	(11,925)	95,176
Subscriptions	384,001	428,371	-	(115,599)	696,773
Total Accumulated Depreciation and Amortization	55,018,693	4,356,387	-	(1,337,208)	58,037,872
Total Other Capital Assets, Net of Accumulated Depreciation and Amortization	79,905,721	(2,545,796)	71,200	(58,116)	77,373,009
Capital Assets Summary:					
Capital Assets Not Being Depreciated	4,014,917	179,814	(71,200)	-	4,123,531
Other Capital Assets, at Cost	134,924,414	1,810,591	71,200	(1,395,324)	135,410,881
Total Cost of Capital Assets	138,939,331	1,990,405	-	(1,395,324)	139,534,412
Less: Accumulated Depreciation and Amortization	(55,018,693)	(4,356,387)	-	1,337,208	(58,037,872)
Capital Assets, Net	<u>\$ 83,920,638</u>	<u>\$ (2,365,982)</u>	<u>\$ -</u>	<u>\$ (58,116)</u>	<u>\$ 81,496,540</u>

The estimated cost to complete property authorized or under construction at years ended June 30, 2025 and 2024 is 26,640,802 and \$10,398,546, respectively. These costs will be financed by state appropriations and available local resources.

Certain land on which four campus buildings are located was donated to the College by the City of Lewiston. Under terms of the gift, ownership of the land reverts back to the City if it ceases to be used for educational purposes. This land is reflected in Capital Assets in the amount of \$19,200 in 2025 and 2024.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 6 NOTES PAYABLE (CONTINUED)

Principal and interest maturities on notes and bonds payable in future periods for the are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2026	\$ 173,208	\$ 67,517	\$ 240,725
2027	176,884	63,841	240,725
2028	180,638	60,087	240,725
2029	184,471	56,253	240,724
2030	188,386	52,338	240,724
2031-2035	1,003,626	199,993	1,203,619
2036-2040	1,114,743	88,878	1,203,621
2041-2045	279,721	3,827	283,548
Total	<u>\$ 3,301,677</u>	<u>\$ 592,734</u>	<u>\$ 3,894,411</u>

Pledged Revenue for General Revenue Bonds Series 2021 (Issued in Fiscal Year 2022)

The bond is collateralized through Pledged Revenues including student fees, sales and services revenue, facilities and administrative (F&A) recovery revenues, investment income, and other revenues as the Idaho State Board of Education shall designate as Pledged Revenues. Pledged Revenues do not include general appropriated funds or restricted fund revenues.

	<u>2025</u>	<u>2024</u>
Student Fees, Net	\$ 11,998,906	\$ 12,657,524
Sales and Services Revenues	4,123,985	4,372,907
F&A Recovery Revenue	249,522	265,984
Other Revenue	403,302	1,080,723
Investment Income	1,741,118	1,774,564
Total	<u>18,516,833</u>	<u>20,151,702</u>
Less: Operations and Maintenance	<u>(5,896,793)</u>	<u>(5,552,338)</u>
Pledged Revenues, Net	<u>\$ 12,620,040</u>	<u>\$ 14,599,364</u>
Annual Debt Service	\$ 240,725	\$ 244,924
Debt Service Coverage	5243%	5961%
Coverage Requirement	110%	110%

NOTE 7 LEASES – LESSEE ARRANGEMENTS

The College has primarily entered into leases for real estate and office equipment. The College does not have any applicable lessor arrangements.

A summary of the Colleges lease terms and interest rates are as follows:

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 7 LEASES – LESSEE ARRANGEMENTS (CONTINUED)

In fiscal year 2025 and 2024, the College added \$23,781 and \$86,352 in new leases and made principal payments of \$57,929 and \$49,345, respectively. As of June 30, 2025 and 2024, the College had nine and seven active leases, respectively. For fiscal year 2025, the leases have payments that range from \$1,603 to \$20,423 and interest rates that range from 2.0% to 5.86%. For fiscal year 2024, the leases have payments that range from \$2,619 to \$20,423 and interest rates that range from 1.1% to 5.86%. As of June 30, 2025 and 2024, the total combined value of the lease liability is \$83,003 and \$117,151, respectively. The combined value of the right to use asset, as of June 30, 2025 and 2024 is \$198,769 and \$211,893 with accumulated amortization of \$116,662 and \$95,176, respectively. These amounts are included within the Lease Class activities table found below.

Per GASB 87, Paragraph 23, the future lease payments should be discounted using the interest rate the lessor charges the lessee, which may be the interest rate implicit in the lease. If the interest rate cannot be readily determined by the lessee, the lessee’s estimated incremental borrowing rate (an estimate of the interest rate that would be charged for borrowing the lease payment amounts during the term) should be used. College management concluded that they could not readily determine the discount rates implicit in their lease contracts.

The College reviewed its existing debt, including unsecured debt with the College’s primary lender and publicly traded bonds. Based on this review, college management has concluded that the appropriate incremental borrowing rate should be the U.S. Treasury yield rate for the length of the lease plus 1%.

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

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 29,570	\$ 3,249	\$ 32,819
2027	22,155	2,154	24,309
2028	21,668	1,039	22,707
2029	9,610	140	9,750
Total	<u>\$ 83,003</u>	<u>\$ 6,582</u>	<u>\$ 89,585</u>

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

	<u>Business-Type Activities</u>	
	<u>2025</u>	<u>2024</u>
Equipment, Vehicles and Fixtures	\$ 198,769	\$ 211,893
Land	-	-
Total	<u>198,769</u>	<u>211,893</u>
Less: Accumulated Amortization	<u>(116,662)</u>	<u>(95,176)</u>
Right-to-Use Assets, Net	<u>\$ 82,107</u>	<u>\$ 116,717</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 8 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

A summary of the Colleges SBITA terms and interest rates are as follows:

In fiscal year 2025 and 2024, the College added \$260,930 and \$439,635 for new SBITAs and made principal payments of \$573,279 and \$376,585 plus interest, respectively. As of June 30, 2025 and 2024, the College had 16 and 12 active subscriptions, respectively. As of June 30, 2025 and 2024 the subscriptions have payments that range from \$0 to \$304,668 and from \$0 to \$295,794, respectively. As of June 30, 2025 and 2024 the subscriptions have interest rates that range from 3.84% to 5.62% for both fiscal years. As of June 30, 2025 and 2024, the total combined value of the subscription liability is \$809,507 and \$1,121,856, respectively. The combined value of the right to use asset as of June 30, 2025 and 2024 is \$2,129,130 and \$1,895,376 with accumulated amortization of \$1,200,161 and \$696,773, respectively. These amounts are included within the Subscription Class activities table found below. Certain SBITAs provide for increases in future minimum annual payments based on defined increases stated in the agreements and no agreements contain variable payments.

Total future minimum SBITA payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 533,038	\$ 35,995	\$ 569,033
2027	183,268	14,197	197,465
2028	93,201	4,951	98,152
Total	<u>\$ 809,507</u>	<u>\$ 55,143</u>	<u>\$ 864,650</u>

The College has \$253,532 SBITAs currently in implementation with anticipated completion dates in fiscal year 2026. The estimated future principal payments of these commitments are \$126,000 plus interest.

Per GASB 96, Paragraph 18, the future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be the interest rate implicit in the SBITA. If the interest rate cannot be readily determined by the government, the government's estimated incremental borrowing rate (an estimate of the interest rate that would be charged for borrowing the subscription payment amounts during the term) should be used. College management concluded that they could not readily determine the discount rates implicit in their SBITA contracts.

The College reviewed its existing debt, including unsecured debt with the organization's primary lender and publicly traded bonds. Based on this review, college management has concluded that the appropriate incremental borrowing rate should be the U.S. Treasury yield rate for the length of the SBITA plus 1%.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 9 RESTRICTED NET POSITION

Certain expendable assets are classified as restricted assets on the statement of net position. The purpose and amounts of restricted assets ended as of June 30, 2025 and 2024 is as follows:

	2025	2024
Federal Student Loan Programs	\$ 389,565	\$ 406,109
Institutional Student Loan Programs	144,047	143,970
Sick Leave Insurance Reserve Fund	3,317,526	2,973,073
Scholarships, Grants, and Contracts - Unearned	(57,920)	(79,920)
Total Restricted Net Position	\$ 3,793,218	\$ 3,443,232

NOTE 10 RETIREMENT PLANS

Public Employee Retirement System of Idaho

Plan Description

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

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Employee membership data related to the PERSI Base Plan, as of June 30, 2024, and June 30, 2023, measurement date, was as follows:

	2024	2023
Retirees and Beneficiaries Currently Receiving Benefits	56,084	54,680
Terminated Employees Entitled to But Not Receiving Benefits	16,546	16,106
Terminated Employees and Non Vested Active Plan Members	38,508	35,968
	78,354	76,668
Total System Members	189,492	183,422

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Pension Benefits

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate. As of June 30, 2024 and 2023 it was 6.71% and 7.16%, respectively. The employer contribution rate, as a percent of covered payroll, is set by the Retirement Board and was 11.18% and 11.94% as of June 30, 2024 and 2023, respectively. The College's contributions were \$666,927 and \$595,827 for the years ended June 30, 2025 and 2024, respectively.

The College reported a liability of \$4,067,926 and \$4,793,717 for its proportionate share of the net pension liability at June 30, 2025 and 2024, respectively. The net pension liability for the year was measured as of June 30, 2024 and 2023, respectively and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2024 and 2023, respectively. The College's proportion of the net pension asset for the years was based on the College's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At July 1, 2024 valuation date, the College's proportion was 0.10874931%, a decrease of .0011% from the prior period's 0.12012308%. At July 1, 2023 valuation date, the College's proportion was 0.12012308%, a decrease of 0.006% from the prior period's 0.12604875%.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Member and Employer Contributions (Continued)

For the years ended June 30, 2025 and 2024, the College recognized a net pension expense of \$854,607 and \$1,070,868, respectively. At June 30, 2025 and 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	\$ (1)	\$ 73,840	\$ 449,960	\$ -
Differences Between Expected and Actual Experience	647,652	(1)	821,680	-
Changes in Assumptions or Other Inputs	161,149	-	474,678	-
Changes in Proportion and Differences Between the Contributions and the Proportionate Contributions		392,167	-	357,157
Subtotal	808,800	466,006	1,746,318	357,157
Contributions Subsequent to the Measurement Date	666,927	-	595,827	-
Total	<u>\$ 1,475,727</u>	<u>\$ 466,006</u>	<u>\$ 2,342,145</u>	<u>\$ 357,157</u>

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

An amount of \$666,927 and \$595,827 reported as deferred outflows of resources related to pensions resulting from college contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026 and 2025, respectively.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at the beginning of the measurement period is 4.4 years for both the measurement periods ended July 1, 2024 and 2023.

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

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 18,173
2027	651,358
2028	(207,012)
2029	(119,725)
Total	<u>\$ 342,794</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years. The amortization period of the unfunded liability is 100+ years which is more than the 25-year maximum allowed by statute. As a result of being over the 25-year maximum, PERSI will have to consider raising contribution rates.

The total pension liability in the July 1, 2024 and 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2025</u>	<u>2024</u>
Inflation	2.30 %	2.30 %
Salary Increases Including Inflation	3.05	3.05
Investment Rate of Return, Net of Investment Expenses	6.35	6.35
Cost of Living Adjustments	1.00	1.00

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. The rates were adopted for the valuation dated July 1, 2024 and 2023, respectively.

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The total pension liability as of June 30, 2025 is based on the results of actuarial valuation dates of July 1, 2024. The total pension liability as of June 30, 2024 is based on the results of actuarial valuation dates of July 1, 2023.

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

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Actuarial Assumptions (Continued)

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

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

	<u>Asset Class</u>	<u>Capital Market Assumption</u>	
		<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
		- %	- %
Cash		-	-
Large Cap		18.00	4.50
Small/Mid Cap		11.00	4.70
International Equity		15.00	4.50
Emerging Markets Equity		10.00	4.90
Domestic Fixed		20.00	(0.25)
TIPS		10.00	(0.30)
Real Estate		8.00	3.75
Private Equity		8.00	6.00

Valuation assumptions chosen by PERSI Board are as follows:

	<u>2025</u>	<u>2024</u>
Long-Term Expected Rate of Return, Net of Investment Expenses	4.05 %	4.05 %
Assumed Inflation	2.30	2.30
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	<u>6.35 %</u>	<u>6.35 %</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.35% for 2025 and 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

The following presents the College's proportionate share of the net pension liability calculated using the discount rate, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2025		
	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
College's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 7,730,326</u>	<u>\$ 4,067,926</u>	<u>\$ 1,076,678</u>
	2024		
	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
College's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 8,621,696</u>	<u>\$ 4,793,717</u>	<u>\$ 1,665,060</u>

Pension Plan Fiduciary Net Position

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

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the Pension Plan

At June 30, 2025 and 2024, the College had no payables to the defined benefit pension plan for legally required employer or employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Optional Retirement Plan

Effective July 1, 1990, the Idaho State Legislature authorized the Idaho State Board of Education to establish an Optional Retirement Plan (ORP), a defined contribution plan, for faculty and exempt employees. The employee contribution requirement for the ORP is based on a percentage of total payroll. Employer contributions are determined by the state of Idaho. The plan provisions were established by and may be amended by the state of Idaho.

New faculty and exempt employees hired July 1, 1990 or thereafter automatically enroll in the ORP and select their vendor option. Faculty and exempt employees hired before July 1, 1990 had a one-time opportunity to enroll in the ORP. Enrollees in the ORP no longer belong to PERSI. Vendor options include Teachers Insurance and Annuity Association (TIAA) and AIG Retirement Services (formerly known as VALIC).

Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 55 years of age. The contribution requirement (and amount paid) for the year ended June 30, 2025 was \$3,127,111, which consisted of \$1,757,936 from the College and \$1,369,175 from employees. The contribution requirement (and amount paid) for the year ended June 30, 2024 was \$3,190,245, which consisted of \$1,819,846 from the College and \$1,370,399 from employees. These contributions represented approximately 9.4% and 9.4% of covered payroll for the College and its employees during 2025 and 2024, respectively.

Although enrollees in the ORP no longer belong to PERSI, the College is required to contribute to PERSI. These annual supplemental payments are required through July 1, 2025. During the years ended June 30, 2025 and 2024 this supplemental funding payment made to PERSI was \$292,211 and \$282,975 or 0.8% and 0.8% of the covered payroll, respectively. This amount is not included in the regular College PERSI contribution discussed previously.

Supplemental Retirement Plans

Full and part time faculty, classified and professional staff, enrolled in PERSI as their regular retirement plan, may enroll in supplemental 403(b), 401(k), and 457(b) plans. Full and part time faculty and professional staff enrolled in the ORP as their regular retirement plan may enroll in the 403(b) and the 457(b) plans.

401(k) – PERSI Choice Plan (PCP) – This is only available to active PERSI members. The Choice Plan contains employee gain sharing distributions, any voluntary employee contributions made, and the earnings on those funds.

457(b) – Deferred Compensation Plan – The 457(b) is a voluntary retirement savings plan covered under Section 457(b) of the IRC. All College employees are eligible to participate in this plan. The plan is funded exclusively through employee pre-tax contributions.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Optional Retirement Plan (Continued)

Supplemental Retirement Plans (Continued)

457(b) – State of Idaho Plan – The State of Idaho 457(b) plan is similar to the 457(b) Deferred Compensation Plan except that pre-tax and after tax (Roth) options are available.

403(b) Plan – The 403(b) is a voluntary tax-sheltered retirement plan covered under Section 403(b) of the IRC. All College employees are eligible to participate in this plan. The plan is funded exclusively by employee pre-tax contributions.

Supplemental Employee Funded Plan	2025		2024	
	Participants -	Approximate	Participants -	Approximate
	End of Year	Annual Contributions	End of Year	Annual Contributions
401(k) PERSI Choice	24	\$ 79,856	21	\$ 141,335
457(b) Deferred Compensation	12	108,151	8	79,524
403(b) Tax Deferred	65	258,003	46	281,611

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Summary of Plans

The Department of Administration administers other postemployment benefits (OPEB) for healthcare, disability and life insurance for retired or disabled employees of State agencies, public health districts, community colleges, and other political subdivisions that participate in the plans. The Retiree Healthcare, Retiree Life, and Long-Term Disability plans are reported as multiple-employer defined benefit plans. Idaho Code Sections 67-5760 to 67-5768 and 72-1335, establish the benefits and contribution obligations. The plans do not issue publicly available financial reports. The most recent actuarial valuation is as of July 1, 2024. No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you-go basis. The costs of administering the plans are financed by a surcharge to employers on all active employees of \$0.08 and \$0.06 per person per month for fiscal years 2024 and 2023. This rate is reviewed annually.

The College's proportionate share of the total OPEB liability at the measurement date of June 30, 2024 for the Retiree Healthcare and Long-Term Disability Healthcare Plans is 1.53%, a decrease of 0.10% from the prior period's 1.63% and the Retiree Life Insurance Plan proportion is 11.08%, an increase of 0.58% from the prior period's 10.50%.

The College's proportionate share of the total OPEB liability at the measurement date of June 30, 2023 for the Retiree Healthcare and Long-Term Disability Healthcare Plans is 1.63%, a decrease of .037% from the prior periods and the Retiree Life Insurance Plan proportion is 10.50%, a decrease of 0.50% from the prior period's 11.00%.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Summary of Plans (Continued)

The number of participating employers and the classes of employees covered by the above plans are as follows:

<u>June 30, 2025</u>	<u>Retiree Healthcare Plan</u>	<u>Long-Term Disability Plan Healthcare</u>	<u>Retiree Life Insurance Plan</u>
Active Employees	6,064	22,632	5,599
Retired/Disabled Employees	528	57	1,713
Number of Participating Employers	54	26	2
<u>June 30, 2024</u>			
Active Employees	6,605	21,666	5,336
Retired/Disabled Employees	654	10	1,649
Number of Participating Employers	64	26	2

Plan Descriptions and Funding Policy

Retiree Healthcare Plan

A retired employee of the College who receives monthly retirement benefits from the Public Employee Retirement System of Idaho (PERSI) may elect to purchase the retiree health insurance coverage for themselves and eligible dependents. Employees must enroll within 60 days of the date that the active employee policy ends to receive coverage for the subsequent month. Additionally, the employee must be under age 65, receiving PERSI monthly benefits at the time of retirement and must have 10 or more years (20,800 or more hours) of credited service. An employee must have been an active employee on or before June 30, 2009, and must retire directly from state service.

Coverage is not available to Medicare-eligible retirees or their Medicare-eligible dependents. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the active employee plan. The benefit is at least \$1,860 per retiree per year. In 2025 and 2024, the College was charged \$5.06 and \$8.15, respectively, per active employee per month towards the retiree premium cost.

Long-Term Disability Plan

Disabled employees are defined as being unable to perform each of the substantial and material duties of the job for which they were hired and unable to earn more than 70% of their monthly salary for the first 30 months of disability. If after 30 months the employee is unable to perform any job for which they are reasonably qualified by experience, education, or training, and unable to earn more than 60% of their monthly salary the employee is considered totally disabled. To qualify for long-term disability benefits, the waiting period of the longer of 26 continuous weeks of total disability or exhaustion of accrued sick leave must be met.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Descriptions and Funding Policy (Continued)

Long-Term Disability Plan (Continued)

For up to six months following the date of disability an employee may continue healthcare coverage under this plan. The employer's share of the premium is paid from the Office of Group Insurance reserve. The employee is required to pay the normal active employee contribution to the plan and rate category for which the employee is enrolled.

The plan provides long-term disability income benefits to active employees who become disabled, generally up to a maximum age of 70. The gross benefit equals 60% of monthly pre-disability salary or \$6,000, whichever is less. The benefit does not increase with inflation and may be offset by other disability benefits from Social Security, Workers' Compensation, or PERSI. The State is self-insured for employees who became disabled prior to July 1, 2003; the State pays 100% of the cost of this benefit. The amount of the contribution is based on active claims and the number of insured individuals.

Principal Life Insurance Company insures employees disabled on or after July 1, 2003, and the obligation for the payment of income benefits has been effectively transferred. The College pays 100% of the cost of the premiums. This portion of the long-term disability income benefit is not included in the actuarial estimate as this is considered an insured benefit.

This plan also provides basic life insurance and dependent life coverage to disabled employees, generally up to a maximum age of 70. The life insurance benefit amount is generally 100% of annual salary, but not less than \$20,000. In addition, the plan provides a \$2,000 life insurance benefit for spouses and a \$1,000 life insurance benefit for dependent children. These benefits do not increase with inflation. The State is self-insured for employees who became disabled prior to July 1, 2012. The College pays 100% of the cost. The contribution is actuarially determined based on actual claims experience.

Principal Life Insurance Company insures employees disabled on or after July 1, 2012, and the obligation for the payment of basic life and dependent life coverage benefits has been effectively transferred. The College pays 100% of the premiums. This portion of the basic life insurance and dependent life coverage is not included in the actuarial estimate as this is considered an insured benefit.

Retiree Life Insurance Plan

The College provides basic life insurance for certified retired employees. In general, the employee must have completed at least 30 years of credited service or the sum of his/her age and years of credited service must total at least 80 to qualify for this benefit. Eligible retirees receive basic life insurance coverage equal to 100% of their annual salary at retirement. The College pays 100% of the cost of basic life insurance for eligible retirees.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Plan Descriptions and Funding Policy (Continued)

Retiree Life Insurance Plan (Continued)

The College's payments required and paid as OPEB benefits came due for fiscal years ended June 30, 2025 and 2024 (dollars in thousands):

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
OPEB Paid - 2025	\$ 19	\$ 3	\$ 147	\$ 169
OPEB Paid - 2024	37	2	127	166

Summary of Significant Accounting Policies

The financial statements of the OPEB plans are reported using the accrual basis of accounting. Contributions are recorded when earned and expenses, including benefits and refunds paid, are recorded when a liability is incurred, regardless of the timing of cash flows.

Actuarial Assumptions

The last actuarial valuation was performed as of July 1, 2024 for the Retiree Healthcare, Long-Term Disability and Retiree Life Insurance plans. There have been significant changes between the Valuation Date and Measurement Date. Effective July 1, 2023, the retiree healthcare plan will have a \$155 explicit subsidy with no implicit subsidy. The \$155 is not expected to change. There is no change to the LTD Healthcare Benefit.

The total OPEB liability as of June 30, 2025 and June 30, 2024 were determined as of the measurement date June 30, 2024 and June 30, 2022, respectively. The total OPEB liability as June 30, 2025 and June 30, 2024 was based on the Milliman Financial Reporting Valuation as of July 1, 2024 and July 1, 2022, respectively.

The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement date as of June 30, 2024:

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan
Inflation	2.30%	2.30%	2.30%
Salary Increases	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity
Discount Rate	3.93%	3.93%	3.93%
Healthcare Cost Trend Rates	N/A	6.7% claims from year ending June 30, 2025 to year ending June 30, 2026 grading to an ultimate rate of 3.7% after fiscal year ending June 30, 2073	N/A
Retirees' Share of Benefit-Related Costs	82.1% of projected health insurance premiums for retirees	N/A	N/A

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement date as of June 30, 2023:

	Retiree Healthcare Plan	Long-Term Disability Plan		Retiree Life Insurance Plan
		Healthcare		
Inflation	2.30%	2.30%		2.30%
Salary Increases	3.05% general wage growth plus increases due to promotions and longevity	3.05% general wage growth plus increases due to promotions and longevity		3.05% general wage growth plus increases due to promotions and longevity
Discount Rate	3.65%	3.65%		3.65%
Healthcare Cost Trend Rates	N/A	5.7% claims from year ending June 30, 2023 to year ending June 30, 2024 grading to an ultimate rate of 3.7% after fiscal year ending June 30, 2073		N/A
Retirees' Share of Benefit-Related Costs	81.9% of projected health insurance premiums for retirees	N/A		N/A

Mortality Rates

Mortality rates for the plans were based on the Pub-2010 Mortality for Employees, Healthy and Disabled Retirees with generational projection and adjustments.

Discount Rate

In 2024 and 2023, The actuary used a discount rate of 3.93% and 3.54% to measure the total OPEB liability. The discount rate was based on 20-year Tax-Exempt Municipal Bond Buyer Go Index.

Total OPEB Liability, OPEB Expense, and Deferrals

Total OPEB Liability

Total OPEB liability components as of measurement dates (dollars in thousands):

	Long-Term Disability Plan			Total
	Retiree Healthcare Plan	Healthcare	Retiree Life Insurance Plan	
<u>June 30, 2024</u>				
Total OPEB Liability	\$ 92	\$ 16	\$ 6,415	\$ 6,523
<u>June 30, 2023</u>				
Total OPEB Liability	\$ 120	\$ 17	\$ 6,273	\$ 6,410

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Changes in total OPEB liability for the fiscal years ended June 30, 2025 (dollars in thousands):

	Increase (Decrease)			
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
Balances - June 30, 2024	\$ 120	\$ 17	\$ 6,273	\$ 6,410
Change in Proportionate Share	(7)	(1)	346	338
Adjusted Balances	113	16	6,619	6,748
Changes for the Year:				
Service Cost	4	4	234	242
Interest on Total OPEB Liability	4	1	235	240
Plan Changes	-	-	-	-
Effects of Economic/Demographic Gains or Losses	(9)	(1)	(193)	(203)
Effect of Assumptions Changes or Inputs	1	-	(330)	(329)
Expected Benefit Payments	(21)	(4)	(150)	(175)
Net Changes	(21)	-	(204)	(225)
Balances - June 30, 2025	<u>\$ 92</u>	<u>\$ 16</u>	<u>\$ 6,415</u>	<u>\$ 6,523</u>

Changes in total OPEB liability for the fiscal years ended June 30, 2024 (dollars in thousands):

	Increase (Decrease)			
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
Balances - June 30, 2023	\$ 149	\$ 18	\$ 6,364	\$ 6,531
Change in Proportionate Share	(28)	(4)	(297)	(329)
Adjusted Balances	121	14	6,067	6,202
Changes for the Year:				
Service Cost	4	5	247	256
Interest on Total OPEB Liability	5	1	232	238
Plan Changes	-	-	-	-
Effects of Economic/Demographic Gains or Losses	36	-	-	36
Effect of Assumptions Changes or Inputs	(1)	-	(140)	(141)
Expected Benefit Payments	(45)	(3)	(133)	(181)
Net Changes	(1)	3	206	208
Balances - June 30, 2024	<u>\$ 120</u>	<u>\$ 17</u>	<u>\$ 6,273</u>	<u>\$ 6,410</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability, OPEB Expense, and Deferrals (Continued)

Total OPEB Liability (Continued)

The College recognized the following OPEB expense and deferrals for the years ended June 30, 2025 (dollars in thousands):

<u>June 30, 2025</u>	Increase (Decrease)			Total
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	
OPEB Expense (Revenue)	\$ (39)	\$ -	\$ 186	\$ 147
Deferred Outflows:				
Differences in Expected and Actual Experience	\$ 35	\$ 3	\$ 245	\$ 283
Changes in Assumptions	15	-	933	948
Change in Proportion	1	-	403	404
Benefit Payments Subsequent to the Measurement Date	17	1	80	98
Total Deferred Outflows	<u>\$ 68</u>	<u>\$ 4</u>	<u>\$ 1,661</u>	<u>\$ 1,733</u>
Deferred Inflows:				
Differences in Expected and Actual Experience	\$ 48	\$ 1	\$ 496	\$ 545
Changes in Assumptions	17	6	1,755	1,778
Change in Proportion	62	5	472	539
Total Deferred Inflows	<u>\$ 127</u>	<u>\$ 12</u>	<u>\$ 2,723</u>	<u>\$ 2,862</u>

The College recognized the following OPEB expense and deferrals for the years ended June 30, 2024 (dollars in thousands):

<u>June 30, 2024</u>	Increase (Decrease)			Total
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	
OPEB Expense (Revenue)	\$ (60)	\$ 2	\$ 186	\$ 128
Deferred Outflows:				
Differences in Expected and Actual Experience	\$ 53	\$ 6	\$ 273	\$ 332
Changes in Assumptions	58	1	1,107	1,166
Change in Proportion	3	-	83	86
Benefit Payments Subsequent to the Measurement Date	23	1	78	102
Total Deferred Outflows	<u>\$ 137</u>	<u>\$ 8</u>	<u>\$ 1,541</u>	<u>\$ 1,686</u>
Deferred Inflows:				
Differences in Expected and Actual Experience	\$ 95	\$ 1	\$ 373	\$ 469
Changes in Assumptions	27	8	1,627	1,662
Change in Proportion	85	5	560	650
Total Deferred Inflows	<u>\$ 207</u>	<u>\$ 14</u>	<u>\$ 2,560</u>	<u>\$ 2,781</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability, OPEB Expense, and Deferrals (Continued)

Total OPEB Liability (Continued)

Deferred outflows of resources of \$98,000 and \$102,000 related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability at June 30, 2025 and 2024, respectively.

Amounts reported as deferred outflows of resources will be recognized as OPEB expense as follows (dollars in thousands):

<u>Fiscal Year</u>	Expense				<u>Total</u>
	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total	
	Plan	Healthcare	Plan		
2026	\$ 40	\$ 1	\$ 161	\$ 202	
2027	16	2	133	151	
2028	12	2	136	150	
2029	5	3	166	174	
2030	2	1	245	248	
Thereafter	-	1	301	302	
Total	<u>\$ 75</u>	<u>\$ 10</u>	<u>\$ 1,142</u>	<u>\$ 1,227</u>	

The average expected remaining service lives of all active and inactive employees for each OPEB plan for the measurement dates June 30, 2024 and 2023:

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan
Expected Service Lives - 2024	5.9	7.3	9.3
Expected Service Lives - 2023	5.7	7.3	8.7

Discount Rate Sensitivity

The following presents the total OPEB liability of the College calculated using the discount rate, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate (dollars in thousands):

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
<u>June 30, 2025</u>				
1% Decrease (2.93%)	\$ 95	\$ 18	\$ 7,790	\$ 7,903
Discount Rate (3.93%)	92	16	6,415	6,523
1% Increase (4.93%)	88	15	5,358	5,461
<u>June 30, 2024</u>				
1% Decrease (2.65%)	\$ 124	\$ 18	\$ 7,645	\$ 7,787
Discount Rate (3.65%)	120	17	6,273	6,410
1% Increase (4.65%)	116	16	5,220	5,352

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Total OPEB Liability, OPEB Expense, and Deferrals (Continued)

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

The following presents the total OPEB liability of the College calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1% lower or 1% higher than the current trends (dollars in thousands):

	Retiree Healthcare Plan	Long-Term Disability Plan Healthcare	Retiree Life Insurance Plan	Total
<u>June 30, 2025</u>				
1% Decrease	NA	\$ 15	NA	\$ 15
Current Trend Rate	NA	16	NA	16
1% Increase	NA	18	NA	18
<u>June 30, 2024</u>				
1% Decrease	NA	\$ 14	NA	\$ 14
Current Trend Rate	NA	17	NA	17
1% Increase	NA	20	NA	20

Sick Leave Insurance Reserve Fund

Idaho Code section 67-5333 establishes the policy for sick leave benefits. The Sick Leave Insurance Reserve Fund (SLIRF) is administered by PERSI. The State does not pay amounts for accumulated sick leave when employees separate from service. Employees who qualify for retirement under PERSI or ORP are eligible to use 50% of the cash value of their unused sick leave, up to a maximum of 600 hours, to continue their medical insurance coverage through the College. The College partially funds these obligations by calculating eligible compensation for active members. The College was not required to pay contributions toward the plan after January 2020 when the PERSI board enacted an 18-month sick leave contribution holiday effective January 1, 2020 due to the sick leave fund being over funded. In the November 2021 Board meeting, the PERSI Board extended the rate holiday for employer contributions for the State to June 30, 2031.

Sick Leave Insurance Reserve Fund Assets, Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Sick Leave Insurance Fund

At June 30, 2025 and June 30, 2024 the College's proportion was 2.077%, representing no change from the prior year. At June 30, 2025 and 2024 the College reported an asset of \$3,317,526 and \$2,973,073, respectively, for its proportionate share of the SLIRF excess funding. The excess funding was measured as of July 1, 2024 and July 1, 2023 for the year ending June 30, 2025 and 2024, respectively, and determined by an actuarial valuation as of that date. The College's proportion of the sick leave assets was based on the College's share of contributions in the fund relative to the total contributions of all participating employers.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Sick Leave Insurance Reserve Fund Assets, Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Sick Leave Insurance Fund (Continued)

For the years ended June 30, 2025 and 2024 the College recognized sick leave revenue of \$67,401 and \$41,106, respectively. At June 30, 2025 and 2024 the College reported deferred outflows of resources and deferred inflows of resources related to sick leave from the following sources:

	2025		2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net Difference Between Projected and Actual Earnings on Sick Leave Fund Investments	\$ -	\$ 103,400	\$ 222,266	\$ -
Differences Between Expected and Actual Experience	142,580	41,295	118,915	57,723
Changes in Assumptions or Other Inputs	153,400	196,373	188,668	248,985
Changes in Proportion and Differences Between the Contributions and the Proportionate Contributions	21,845	-	31,235	567
Subtotal	<u>317,825</u>	<u>341,068</u>	<u>561,084</u>	<u>307,275</u>
Contributions Subsequent to the Measurement Date	-	-	-	-
Total	<u>\$ 317,825</u>	<u>\$ 341,068</u>	<u>\$ 561,084</u>	<u>\$ 307,275</u>

The average of the expected remaining service lives of all employees that are provided with sick leave through the System (active and inactive employees) determined at the beginning of the measurement period is 7.6 years and 7.5 years for the measurement periods ended June 30, 2024 and 2023, respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to sick leave will be recognized in expense (revenue) as follows (dollars in thousands):

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ (44)
2027	123
2028	(93)
2029	(48)
2030	17
Thereafter	22
Total	<u>\$ (23)</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Sick Leave Insurance Reserve Fund Assets, Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Sick Leave Insurance Fund (Continued)

Actuarial valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the State net OPEB liability (asset) are subject to continual revision as actual results are compared with the past expectations and new estimates are made about the future.

Actuarial Assumptions

The following are the actuarial assumptions and the entry age normal cost method, applied to the June 30, 2024 and June 30, 2023 measurement dates:

Inflation	2.30%
Salary Increases Including Inflation	3.05%
Investment Rate of Return	5.45%, Net of Investment Expenses

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

Even though history provides a valuable perspective for setting the investment return assumption, the approach builds upon the latest capital market assumptions. The assumptions and formal policy for asset allocation are shown below. The formal asset allocation policy is more conservative than the current allocation of assets.

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

Actuarial Assumptions for Plan Year 2024 are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad U.S. Equity	39.00 %	4.90 %
Global EX U.S. Equity	11.00	4.75
Fixed Income	50.00	0.50

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial Assumptions for Plan Year 2023 are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad U.S. Equity	39.30 %	4.90 %
Global EX U.S. Equity	10.70	4.78
Fixed Income	50.00	0.50

Discount Rate

The discount rate used to measure the total sick leave asset was 5.45% for Plan Year 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that contributions from Fund employers will be made at the current contribution rate. Based on these assumptions, the OPEB Fund's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Fund investments was applied to all periods of projected benefit payments to determine the total sick leave asset. The long-term expected rate of return was determined net of the sick leave fund investment expense but without reduction for sick leave fund administrative expense.

The following presents the College's proportionate share of the sick leave asset calculated using the discount rate, as well as what the College's proportionate share of the sick leave asset would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate (dollars in thousands):

	<u>2025</u>		
	<u>1% Decrease (4.45%)</u>	<u>Current Discount Rate (5.45%)</u>	<u>1% Increase (6.45%)</u>
College's Proportionate Share of the Sick Leave Asset	<u>\$ 3,086</u>	<u>\$ 3,318</u>	<u>\$ 3,166</u>
	<u>2024</u>		
	<u>1% Decrease (4.45%)</u>	<u>Current Discount Rate (5.45%)</u>	<u>1% Increase (6.45%)</u>
College's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 2,757</u>	<u>\$ 2,973</u>	<u>\$ 3,166</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Discount Rate (Continued)

Changes in sick leave insurance reserve fund liability (asset) for the fiscal years ended June 30, 2025 and 2024 (dollars in thousands):

	2025	2024
Sick Leave Liability - Beginning Balance	\$ 2,402	\$ 2,140
Change in Proportionate Share	-	-
Adjusted Beginning Balance	2,402	2,140
Changes for the Year:		
Service Cost	110	95
Interest on Liability	134	119
Differences Between Expected and Actual Experience	52	65
Effect of Plan Changes	-	-
Effect of Assumptions	-	97
Benefit Payment	(117)	(114)
Net Changes	179	262
Sick Leave Liability (Asset) - Ending Balance	\$ 2,581	\$ 2,402
	2025	2024
Plan Net Position - Beginning Balance	\$ 5,375	\$ 5,078
Change in Proportionate Share	-	-
Adjusted Beginning Balance	5,375	5,078
Changes for the Year:		
Contributions - Employer	-	-
Net Investment Income	641	412
Benefit Payments	(118)	(114)
Administrative Expense	-	(1)
Net Changes	523	297
Plan Net Position - Ending Balance	\$ 5,898	\$ 5,375
Sick Leave Liability	\$ 2,581	\$ 2,402
Sick Leave Fund Position	5,898	5,375
Net Sick Leave Asset	\$ (3,317)	\$ (2,973)

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 12 OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATION

	2025							Total
	Personnel Costs	Services	Supplies	Insurance, Utilities, and Rent	Scholarships and Fellowships	Depreciation and Amortization	Miscellaneous	
Instruction	\$ 20,853,925	\$ 1,177,940	\$ 1,322,214	\$ 40,840	-	\$ 93,721	\$ 55,187	\$ 23,543,827
Research	459,470	36,666	39,040	-	-	-	4,994	540,170
Public Services	416,546	42,969	25,177	11,643	-	-	10,293	506,628
Libraries	367,494	472,166	32,471	-	-	9,783	1	881,915
Student Services	4,338,526	495,383	290,034	(13,369)	-	63,255	48,863	5,222,692
Plant Operating	2,133,196	577,040	800,434	1,164,709	-	4,405,629	-	9,081,008
Institutional Support	5,339,882	1,386,893	810,819	403,259	-	8,398	50,056	7,999,307
Academic Support	2,769,332	1,092,495	161,785	-	-	430,452	(1)	4,454,063
Scholarships and Fellowships	82,274	350	-	-	3,249,026	-	24,350	3,356,000
Auxiliaries	2,963,302	1,918,226	2,298,410	320,200	-	-	568,301	8,068,439
Total Expenses by Function	\$ 39,723,947	\$ 7,200,128	\$ 5,780,384	\$ 1,927,282	\$ 3,249,026	\$ 5,011,238	\$ 762,044	\$ 63,654,049
	2024							
	Personnel Costs	Services	Supplies	Insurance, Utilities, and Rent	Scholarships and Fellowships	Depreciation and Amortization	Miscellaneous	Total Operating Expenses
Instruction	\$ 20,431,821	\$ 1,159,759	\$ 1,123,304	\$ 29,988	-	\$ 62,782	\$ 67,885	\$ 22,875,539
Research	386,683	24,127	47,639	-	-	-	5,177	463,626
Public Services	281,557	55,417	13,603	5,595	-	-	538	356,710
Libraries	424,288	353,161	21,310	-	-	13,342	51	812,152
Student Services	3,971,524	420,511	363,888	5,632	-	13,885	34,945	4,810,385
Plant Operating	2,073,050	341,103	625,078	1,398,719	-	3,878,318	-	8,316,268
Institutional Support	5,007,172	1,264,389	1,078,233	168,706	-	8,088	24,598	7,551,186
Academic Support	2,864,552	1,082,487	129,760	127	-	379,972	2,220	4,459,118
Scholarships and Fellowships	85,844	596	-	-	2,385,982	-	18,620	2,491,042
Auxiliaries	2,835,795	1,721,658	2,060,024	312,641	-	-	387,623	7,317,741
Total Expenses by Function	\$ 38,362,286	\$ 6,423,208	\$ 5,462,839	\$ 1,921,408	\$ 2,385,982	\$ 4,356,387	\$ 541,657	\$ 59,453,767

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 13 COMMITMENTS, CONTINGENCIES, AND LEGAL MATTERS

The College received Idaho State Board of Education approval in June 2022 and committed \$1.5 million to fund the buildout of the first floor of Clearwater Hall. The College requested funding for this project through the Idaho Division of Public Works as a fiscal year 2024 project request and was awarded \$1.3 million. In January 2024, the College received additional approval from the Idaho State Board of Education to increase the project cost to \$2.4 million reflective of an increased scope, soft costs (architect, commissioning, contingencies, etc.), and increases in construction costs. The overall net estimated fiscal impact to the College is \$1.1M. The College purchased Clearwater Hall in 2009, and the first floor was unfinished. The upper levels were finished and are a residence hall. The first floor, once finished, will house the College's Workforce Training program currently located in a leased facility. The lease is to be terminated upon occupancy of Clearwater Hall. This occurred in July 2025.

The College requested and received approval from the Permanent Building Fund Advisory Council in December 2023 to proceed with two capital construction projects for the Student Union Building / Center for Student Leadership south patio access and landscape improvements utilizing institutional funds with estimates of \$209,615, and \$297,664. In April 2024, the College requested and received approval from the Permanent Building Fund Advisory Council to proceed with a landscape and irrigation improvement project for the Schweitzer Career and Technical Education Center and Reid Centennial Hall for an estimated cost of \$299,450.

The College purchased an 88-bedroom residential housing unit called College Place on December 20, 2021. The facility was purchased for \$5 million plus closing and finance costs, with \$1 million from institutional reserves and \$4 million in general revenue bonds. The bond is collateralized through Pledged Revenues including student fees, sales and services revenue, F&A recovery revenues, investment income, and other revenues as the Idaho State Board of Education shall designate as Pledged Revenues. Pledged Revenues do not include general appropriated funds or restricted fund revenues. Revenues from the occupancy of the residence are anticipated to fully fund the annual bond payments.

Revenue from federal service grants includes amounts for the recovery of overhead and other costs allocated to these projects. The College may be required to make refunds of amounts received for overhead and other costs reimbursed as a result of audits by agencies of the Federal Government. College officials believe that the effect of these refunds, if any, will not have a significant effect on the financial position of the College.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 14 RISK MANAGEMENT

The College participates in the State of Idaho Risk Management Program, which manages property and general liability risk. The program provides liability protection up to the Idaho Tort Claims Act maximum of \$500,000 for each occurrence. The state of Idaho purchases commercial insurance for claims not self-insured by the above coverage, with an annual coverage limit of \$500,000,000. Insurance premium payments are made to the state risk management program based on rates determined by a state agency's loss trend experience and asset value covered. Presently the College's total insured property value is \$334,536,048. The College obtains worker's compensation coverage from the Idaho State Insurance Fund. The College's worker's compensation premiums are based on payroll amount, the College's loss experience, as well as the loss experience of the state of Idaho as a whole. This program also provides coverage for other risks of loss, including but not limited to employee bond and crime, out of state worker's compensation, business interruption, media liability and automobile physical damage insurance. No significant reductions in coverage, or losses in excess of payments, have occurred in the last three years.

NOTE 15 COMPONENT UNIT

Lewis-Clark State College Foundation, Inc. (the Foundation) is a legally separate, tax-exempt component unit of the College. The Foundation acts primarily as a fund-raising organization to supplement the resources that are available to the College in support of its programs. The 28-member board of the Foundation is self-perpetuating and consists of friends of the College.

Although the College does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon that the Foundation holds and invests are restricted to the activities of the College by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the College, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements, as described in Note 1. The Foundation distributed \$2,327,678 and \$1,579,834 to the College for both restricted and unrestricted purposes during the years ended June 30, 2025 and 2024, respectively. The financial statements of the Foundation are presented in accordance with FASB principles. Significant accounting policies associated with the College, also described in Note 1, apply to the Foundation, when applicable. Other disclosures at June 30, 2025 and 2024 follow.

Deposits

Cash and cash equivalents are deposited with various financial institutions. The amount on deposit fluctuates and at times could exceed the insured limit by the U.S. Federal Deposit Insurance Corporation, which would potentially subject the Foundation to credit risk.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 15 COMPONENT UNIT (CONTINUED)

Investments

The Foundation investment policy permits investments in the following investment categories: (a) cash and cash equivalents, including money market funds; (b) fixed income assets to include bonds and bank certificates of deposit; and (c) stocks of large and small U.S. or foreign companies. The Foundation prohibits investments in (a) derivatives, (b) natural resources, (c) precious metals, and (d) venture capital.

Fair Value Measurement

The Foundation investments are recorded at fair market value and are categorized within the fair value hierarchy established by generally accepted accounting principles. The Foundation's investments represent exchange traded funds and mutual funds and are valued using Level 1 inputs, which are quoted prices in active markets for identical assets at the measurement date.

Credit Risk

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. The credit risk ratings listed below for investments in debt securities are issued by standards set by Standard and Poor's.

Credit Risk (Continued)

As of June 30, 2025 and 2024, the Foundation had the following credit risk related to its debt security exchange traded and mutual funds:

<u>Credit Rating</u>	<u>2025</u>	<u>2024</u>
AAA	\$ 1,083,331	\$ 973,090
AA	2,014,283	1,744,302
A	1,200,673	1,074,526
BBB	1,262,959	1,179,940
Not Rated	-	498
Total	<u>\$ 5,561,246</u>	<u>\$ 4,972,356</u>

Foreign Currency Risk

The Foundation investment policy permits the acquisition of investments denominated in foreign currencies. There is a risk that changes in exchange rates could adversely affect the fair value of these investments. To reduce this risk the investment policy limits the investment in international equities to no more than 10.0% of the total investment portfolio.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 15 COMPONENT UNIT (CONTINUED)

Investments (Continued)

Foreign Currency Risk (Continued)

As of June 30, 2025 and 2024, the Foundation's exposure to foreign currency risk is as follows based on equity and debt security funds:

	<u>Currency</u>	<u>Country</u>	<u>2025</u>	<u>2024</u>
AUD		Australia	\$ 111,205	\$ 98,108
BRL		Brazil	40,807	30,535
CAD		Canada	266,150	220,778
CHF		Switzerland	149,216	131,945
CLP		Chile	6,849	6,304
CNY		China	142,289	103,976
COP		Columbia	181	468
CZK		Czech Republic	724	468
DKK		Denmark	25,718	34,799
EUR		Europe	453,845	389,275
GBP		United Kingdom	313,629	290,404
HKD		Hong Kong	21,330	18,133
HUF		Hungary	1,767	1,145
IDR		Indonesia	10,832	10,755
ILS		Israel	16,807	14,532
INR		India	108,452	101,593
JPY		Japan	341,307	304,932
KRW		South Korea	64,221	59,052
MXN		Mexico	42,601	22,182
MYR		Malaysia	8,512	7,178
NOK		Norway	12,355	11,677
NZD		New Zealand	23,545	3,121
PEN		Peru	4,012	3,904
PHP		Philippines	7,742	6,593
PLN		Poland	9,279	6,634
SEK		Sweden	41,040	41,479
SGD		Singapore	29,114	19,297
THB		Thailand	5,977	7,178
TRY		Turkey	3,803	4,682
TWD		Taiwan	103,223	88,018
ZAR		South Africa	17,839	13,659
Various		Various	108,480	95,439
Total Foreign Investments			<u>\$ 2,492,851</u>	<u>\$ 2,148,243</u>

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 15 COMPONENT UNIT (CONTINUED)

Investments (Continued)

Interest Rate Risk

Investments that are fixed for longer periods are likely to experience greater variability in fair value due to future changes in interest rates. The Foundation does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of June 30, 2025 and 2024, the Foundation's debt security exchange traded and mutual funds had the following maturities:

<u>Investment Maturities</u>	<u>2025</u>	<u>2024</u>
0 to 3 Years	\$ 1,536,016	\$ 1,407,177
3 to 5 Years	1,284,648	1,111,819
5 to 10 Years	1,326,357	1,185,907
10 to 20 Years	376,496	324,695
20 to 30 Years	980,448	883,090
Over 30 Years	57,281	59,668
Total	<u>\$ 5,561,246</u>	<u>\$ 4,972,356</u>

Income Taxes

The Foundation is exempt from income taxes on its activities as a Foundation under Section 501(c) (3) of the IRC and similar state statutes. Activities unrelated to those of a Foundation are subject to corporate tax rates.

Related Party Transactions

Foundation cash is primarily deposited and withdrawn from a College bank account. The balance in this account attributable to the Foundation is reported as a receivable from the College in the amount of \$283,697 and \$1,118,722 as of June 30, 2025 and 2024, respectively.

Certain gifts and gift annuity liabilities involve contributions made to the Foundation by Foundation board members. Gifts from these related parties approximated \$29,693 and \$50,021, or 1.6%, and 1.6% of total contributions for the years ended June 30, 2025 and 2024, respectively. Liabilities to related parties, reflected in the statements of financial position as Gift Annuities Payable, totaled \$204,997 and \$217,860 or 72.6% and 65.8% of total gift annuities payable as of June 30, 2025 and 2024, respectively.

Distributions to the College

The Foundation distributed \$2,327,678 and \$1,579,834 to the College for both restricted and unrestricted purposes during the years ended June 30, 2025 and 2024, respectively.

**LEWIS-CLARK STATE COLLEGE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 15 COMPONENT UNIT (CONTINUED)

Donor-Restricted Endowments

The Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the College. During the years ended June 30, 2025 and 2024, the Foundation received new contributions of \$1,614,744 and \$2,682,656, respectively, of which the amounts perpetually restricted by donors were \$485,421 and \$1,315,518, respectively. The endowments of the Foundation experienced net unrealized market appreciation of \$1,793,024 and \$2,007,154 during the years ended June 30, 2025 and 2024, respectively. Unappropriated accumulated earnings are reported in Net Assets With Donor Restrictions. The Foundation established a spending rate of 4% of the five-year rolling average of the market value of each endowment account as of December 31 for each fiscal year. This amount may be reduced if an account has insufficient accumulated earnings to cover the payout.

Gift Annuities Payable

The College is the beneficiary of eight gift annuities. The College recognizes the annuity in the period in which the gift is received. The assets are recorded at fair value when received. An obligation to the annuitant is recorded at the present value of the estimated future payments to be distributed. The excess of contributed assets over the annuity liability is recorded as a contribution. The annuity liability is reduced by payments made to the beneficiaries.

Discount rates to determine the present value of the obligations to the annuitants range from 5.7% to 8.0% for the years ended June 30, 2025 and 2024. Annuity obligations represent the present value of the aggregate liability to annuitants based upon their estimated life expectancies, via tables provided by the Internal Revenue Service.

Donated Materials and Services

FASB *Accounting Standards Codification* (ASC) 958-720-25-9 requires that organizations recognize all services received from personnel of an affiliate that directly benefit the organization. Accordingly, donated materials and services from the College for the years ended June 30 consist of the following:

	<u>Management and General</u>	<u>2025</u>	<u>2024</u>
Equity Transfer		\$ 178,917	\$ 198,863
Third-Party Contributions		2,330	42,583
Total		<u>\$ 181,247</u>	<u>\$ 241,446</u>

**LEWIS-CLARK STATE COLLEGE
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
PERSI – BASE PLAN
LAST TEN FISCAL YEARS**

As of the Measurement Date June 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
College's Proportion of the Net Pension Liability	0.001087493	0.001201231	0.001260488	0.001340913	0.001603766	0.001726114	0.001784488	0.001876297	0.001918969	0.001888760
College's Proportionate Share of the Net Pension Liability	\$ 4,067,926	\$ 4,793,717	\$ 4,964,756	\$ (105,902)	\$ 3,724,157	\$ 1,970,311	\$ 2,632,151	\$ 2,949,217	\$ 3,890,045	\$ 2,487,190
College's Covered Payroll	5,342,434	5,107,533	4,970,671	5,033,902	6,055,152	5,862,583	5,741,359	5,827,647	5,339,791	5,287,228
College's Proportional Share of the Net Pension Liability as a Percentage of its Covered Payroll	76.14%	93.86%	99.88%	-2.10%	61.50%	33.61%	45.85%	50.61%	72.85%	47.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%

**LEWIS-CLARK STATE COLLEGE
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERSI – BASE PLAN
LAST TEN FISCAL YEARS**

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
For Fiscal Years Ended June 30,										
Statutorily Required Contribution	\$ 707,360	\$ 524,647	\$ 583,690	\$ 529,431	\$ 629,157	\$ 660,411	\$ 692,917	\$ 632,687	\$ 573,196	\$ 617,817
Contributions in Relation to the Statutorily Required Contribution	666,927	595,827	609,839	593,498	601,048	685,443	663,644	649,920	659,690	604,464
Contribution Excess (Deficiency)	(40,433)	71,180	26,149	64,067	(28,109)	25,032	(29,273)	17,233	86,494	(13,353)
College's Covered Payroll	5,979,975	5,342,434	5,107,533	4,970,671	5,033,902	6,055,151	5,862,583	5,741,359	5,827,647	5,339,791
Contributions as a Percentage of Covered Payroll	11.15%	11.15%	11.94%	11.94%	11.94%	11.32%	11.32%	11.32%	11.32%	11.32%

LEWIS-CLARK STATE COLLEGE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(DOLLARS IN THOUSANDS)

Total OPEB Liability as of June 30, 2025						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 4	\$ 4	\$ -	\$ -	\$ 234	\$ 242
Interest on Total OPEB Liability	4	1	-	-	235	240
Plan Change	-	-	-	-	-	-
Effect of Economic/ Demographic Gains or Losses	(9)	(1)	-	-	(193)	(203)
Effect of Assumptions Changes or Inputs	1	-	-	-	(330)	(329)
Expected Benefit Payments	(21)	(4)	-	-	(150)	(175)
Net Change in OPEB Liability	(21)	-	-	-	(204)	(225)
Total OPEB Liability - Beginning	120	17	-	-	6,273	6,410
Change in Proportionate Share	(7)	(1)	-	-	346	338
Adjusted Beginning Balance	113	16	-	-	6,619	6,748
Total OPEB Liability - Ending	\$ 92	\$ 16	\$ -	\$ -	\$ 6,415	\$ 6,523
Covered Employee Payroll	\$ 22,993	\$ 22,993	\$ -	\$ -	\$ 22,993	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	0.40%	0.07%	0.00%	0.00%	27.90%	
College's Proportion of Total OPEB Liability	1.53%	1.53%	0.00%	0.00%	11.08%	

Total OPEB Liability as of June 30, 2024						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 4	\$ 5	\$ -	\$ -	\$ 247	\$ 256
Interest on Total OPEB Liability	5	1	-	-	232	238
Plan Change	-	-	-	-	-	-
Effect of Economic/ Demographic Gains or Losses	36	-	-	-	-	36
Effect of Assumptions Changes or Inputs	(1)	-	-	-	(140)	(141)
Expected Benefit Payments	(45)	(3)	-	-	(133)	(181)
Net Change in OPEB Liability	(1)	3	-	-	206	208
Total OPEB Liability - Beginning	149	18	-	-	6,364	6,531
Change in Proportionate Share	(28)	(4)	-	-	(297)	(329)
Adjusted Beginning Balance	121	14	-	-	6,067	6,202
Total OPEB Liability - Ending	\$ 120	\$ 17	\$ -	\$ -	\$ 6,273	\$ 6,410
Covered Employee Payroll	\$ 22,978	\$ 22,978	\$ -	\$ -	\$ 22,978	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	0.52%	0.07%	0.00%	0.00%	27.30%	
College's Proportion of Total OPEB Liability	1.63%	1.63%	0.00%	0.00%	10.50%	

See accompanying Notes to Required Supplementary Information.

LEWIS-CLARK STATE COLLEGE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(DOLLARS IN THOUSANDS)

Total OPEB Liability as of June 30, 2023						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 18	\$ 4	\$ -	\$ -	\$ 339	\$ 361
Interest on Total OPEB Liability	9	1	-	-	169	179
Plan Change	(212)	-	-	-	-	(212)
Effect of Economic/ Demographic Gains or Losses	(6)	4	-	-	372	370
Effect of Assumptions Changes or Inputs	(42)	(11)	-	-	(1,958)	(2,011)
Expected Benefit Payments	(40)	(4)	-	-	(105)	(149)
Net Change in OPEB Liability	(273)	(6)	-	-	(1,183)	(1,462)
Total OPEB Liability - Beginning	437	25	-	-	7,906	8,368
Change in Proportionate Share	(15)	(1)	-	-	(359)	(375)
Adjusted Beginning Balance	422	24	-	-	7,547	7,993
Total OPEB Liability - Ending	\$ 149	\$ 18	\$ -	\$ -	\$ 6,364	\$ 6,531
Covered Employee Payroll	\$ 22,559	\$ 22,559	\$ -	\$ -	\$ 22,559	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	1.33%	0.08%	0.00%	0.00%	28.21%	
College's Proportion of Total OPEB Liability	2.00%	2.00%	0.00%	0.00%	10.99%	

Total OPEB Liability as of June 30, 2022						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 15	\$ 4	\$ -	\$ -	\$ 338	\$ 357
Interest on Total OPEB Liability	8	1	-	-	170	179
Effect of Economic/ Demographic Gains or Losses	75	-	-	-	-	75
Effect of Assumptions Changes or Inputs	3	-	-	-	87	90
Expected Benefit Payments	(35)	(3)	-	-	(100)	(138)
Net Change in OPEB Liability	66	2	-	-	495	563
Total OPEB Liability - Beginning	411	25	-	-	7,379	7,815
Change in Proportionate Share	(40)	-	-	-	32	(8)
Adjusted Beginning Balance	371	25	-	-	7,411	7,807
Total OPEB Liability - Ending	\$ 437	\$ 27	\$ -	\$ -	\$ 7,906	\$ 8,370
Covered Employee Payroll	\$ 22,280	\$ 22,280	\$ -	\$ -	\$ 22,280	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	1.96%	0.12%	0.00%	0.00%	35.48%	
College's Proportion of Total OPEB Liability	2.06%	2.06%	0.00%	0.00%	11.52%	

See accompanying Notes to Required Supplementary Information.

LEWIS-CLARK STATE COLLEGE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(DOLLARS IN THOUSANDS)

Total OPEB Liability as of June 30, 2021						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 29	\$ 5	\$ -	\$ -	\$ 213	\$ 247
Interest on Total OPEB Liability	25	1	1	1	216	244
Effect of Economic/ Demographic Gains or Losses	(415)	(4)	(39)	(29)	(667)	(1,154)
Effect of Assumptions Changes or Inputs	126	2	-	-	1,721	1,849
Expected Benefit Payments	(74)	(6)	(8)	(6)	(129)	(223)
Net Change in OPEB Liability	(309)	(2)	(46)	(34)	1,354	963
Total OPEB Liability - Beginning	710	27	46	34	5,992	6,809
Change in Proportionate Share	10	(2)	-	-	33	41
Adjusted Beginning Balance	720	25	46	34	6,025	6,850
Total OPEB Liability - Ending	\$ 411	\$ 23	\$ -	\$ -	\$ 7,379	\$ 7,813
Covered Employee Payroll	\$ 24,658	\$ 24,658	\$ -	\$ -	\$ 24,658	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	1.67%	0.09%	0.00%	0.00%	29.93%	
College's Proportion of Total OPEB Liability	2.28%	2.28%	0.00%	0.00%	11.47%	

Total OPEB Liability as of June 30, 2020						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 18	\$ 5	\$ -	\$ -	\$ 180	\$ 203
Interest on Total OPEB Liability	19	1	2	1	211	234
Effect of Assumptions Changes or Inputs	222	-	1	1	408	632
Expected Benefit Payments	(55)	(22)	(10)	(8)	(118)	(213)
Net Change in OPEB Liability	204	(16)	(7)	(6)	681	856
Total OPEB Liability - Beginning	542	46	56	46	5,204	5,894
Change in Proportionate Share	(36)	(3)	(3)	(6)	107	59
Adjusted Beginning Balance	506	43	53	40	5,311	5,953
Total OPEB Liability - Ending	\$ 710	\$ 27	\$ 46	\$ 34	\$ 5,992	\$ 6,809
Covered Employee Payroll	\$ 24,337	\$ 24,337	\$ 24,337	\$ 24,337	\$ 24,337	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	2.92%	0.11%	0.19%	0.14%	24.62%	
College's Proportion of Total OPEB Liability	2.25%	2.25%	2.25%	2.25%	11.41%	

See accompanying Notes to Required Supplementary Information.

LEWIS-CLARK STATE COLLEGE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
(DOLLARS IN THOUSANDS)

Total OPEB Liability as of June 30, 2019						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 34	\$ 5	\$ -	\$ -	\$ 189	\$ 228
Interest on Total OPEB Liability	30	2	2	2	194	230
Effect of Economic/ Demographic Gains or Losses	(4)	20	-	1	(90)	(73)
Effect of Assumptions Changes or Inputs	(281)	(10)	(1)	(1)	(248)	(541)
Expected Benefit Payments	(79)	(27)	(12)	(9)	(108)	(235)
Net Change in OPEB Liability	(300)	(10)	(11)	(7)	(63)	(391)
Total OPEB Liability - Beginning	836	55	67	49	5,406	6,413
Change in Proportionate Share	6	1	-	4	(139)	(128)
Adjusted Beginning Balance	842	56	67	53	5,267	6,285
Total OPEB Liability - Ending	\$ 542	\$ 46	\$ 56	\$ 46	\$ 5,204	\$ 5,894
Covered Employee Payroll	\$ 23,625	\$ 23,625	\$ 23,625	\$ 23,625	\$ 23,625	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	2.29%	0.19%	0.24%	0.18%	22.03%	
College's Proportion of Total OPEB Liability	2.41%	2.41%	2.41%	2.41%	11.18%	

Total OPEB Liability as of June 30, 2018						
Long-Term Disability Plan						
	Retire Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Service Cost	\$ 33	\$ 4	\$ -	\$ -	\$ 188	\$ 225
Interest on Total OPEB Liability	30	3	3	2	189	227
Expected Benefit Payments	(74)	(39)	(15)	(9)	(101)	(238)
Net Change in OPEB Liability	(11)	(32)	(12)	(7)	276	214
Total OPEB Liability - Beginning	847	87	79	56	5,130	6,199
Total OPEB Liability - Ending	\$ 836	\$ 55	\$ 67	\$ 49	\$ 5,406	\$ 6,413
Covered Employee Payroll	\$ 23,227	\$ 23,227	\$ 23,227	\$ 23,227	\$ 23,227	
Total OPEB Liability as a Percentage of Covered- Employee Payroll	3.60%	0.24%	0.29%	0.21%	23.27%	
College's Proportion of Total OPEB Liability	2.39%	2.39%	2.39%	2.39%	11.47%	

There were no changes in benefit terms.

See accompanying Notes to Required Supplementary Information.

**LEWIS-CLARK STATE COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025**

Changes of Assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

June 30, 2025	3.93 %
June 30, 2024	3.65
June 30, 2023	3.54
June 30, 2022	2.16
June 30, 2021	2.21
June 30, 2020	3.50
June 30, 2019	3.87
June 30, 2018	3.58

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

**LEWIS-CLARK STATE COLLEGE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SCHEDULE OF COLLEGE'S PROPORTIONATE SHARE OF IDAHO SICK LEAVE INSURANCE RESERVE FUND ASSET
LAST TEN FISCAL YEARS**

As of the Measurement Date June 30,	2024	2023	2022	2021	2020	2019	2018	2017
College's Portion of Sick Leave Asset	0.020770641	0.020770641	0.020770641	0.020770641	0.020770641	0.021092137	0.021416803	0.021231653
College's Proportionate Share of Sick Leave Asset	\$ 3,317,526	\$ 2,973,073	\$ 2,938,353	\$ 3,779,307	\$ 2,931,836	\$ 2,657,021	\$ 2,458,008	\$ 2,019,759
College's Covered Payroll	29,117,533	24,522,115	23,089,477	28,722,390	24,329,520	23,595,515	23,311,352	20,734,832
College's Proportionate Share of Sick Leave Asset as a Percentage of Payroll	11.39%	12.12%	12.73%	13.16%	12.05%	11.26%	10.54%	9.74%
Plan Fiduciary Net Position as a Percentage of the Total Sick Leave Asset	228.55%	223.73%	237.30%	274.55%	251.29%	226.97%	225.45%	204.10%

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

**LEWIS-CLARK STATE COLLEGE
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SCHEDULE OF EMPLOYER CONTRIBUTIONS IN THE IDAHO SICK LEAVE INSURANCE AND RESERVE FUND
LAST TEN FISCAL YEARS**

For Fiscal Years Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially Required Contribution	\$ -	\$ -	\$ -	\$ -	\$ 103,401	\$ 92,452	\$ 89,663	\$ 90,914
Contributions in Relation to the Statutorily Required Contribution	(62)	(17)	(4)	(14)	93,348	158,142	153,371	151,524
Contribution Excess (Deficiency)	(62)	(17)	(4)	(14)	(10,053)	65,690	63,708	60,610
College's Covered Payroll	31,163,914	29,117,533	24,522,115	23,089,477	28,722,390	24,329,520	23,595,515	23,311,352
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.33%	0.65%	0.65%	0.65%

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



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