



**BOARD OF TRUSTEES OF
WICHITA STATE UNIVERSITY**
Independent Auditor's Report and
Annual Financial Statements
For Fiscal Year Ended June 30, 2022



**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Independent Auditor's Report and Basic Financial Statements

June 30, 2022

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
June 30, 2022

Contents

Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements	
Governmental Funds Balance Sheet/Statement of Net Position.....	9
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	10
Statement of Mill Levy Fund Revenue, Expenditures and Changes in Fund Balance – General Fund – Budgetary Basis	11
Notes to Basic Financial Statements	12
Supplementary Information	
Schedule of Fund Assets, Liabilities and Fund Balances (Deficit)	25
Schedule of Fund Activities	26
Schedule of Mill Levy Budget and General Fund Activity	27

Independent Auditor's Report

Board of Trustees
Board of Trustees of Wichita State University
Wichita, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Board of Trustees of Wichita State University (Board), a component unit of Wichita State University, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Board, as of June 30, 2022, and respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Board, 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.

Emphasis of Matter

As discussed in *Note 10* to the financial statements, during the year ended June 30, 2022, the Board adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 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 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 the Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board'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 and budgetary comparisons as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

FORVIS, LLP

Wichita, Kansas
November 2, 2022

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Management's Discussion and Analysis
Year Ended June 30, 2022

Introduction

Our discussion and analysis of the Board of Trustees of Wichita State University (Board) financial performance provides an overview of the Board's financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information provided in the basic financial statements.

The Board is a governmental entity responsible for the management of the mill levy monies arising out of the tax levy upon the citizens of Sedgwick County, Kansas and was established for the education enrichment purposes of Wichita State University (WSU) as a whole, including all the colleges and branches or divisions thereof as well as all the facilities and activities thereof, consistent with the objectives, operation and management of WSU. The Board is also responsible for the endowed funds of the University of Wichita (University) before the University became a state institution in 1964.

Implementation of New Accounting Standard

During 2022, the Board adopted GASB 87 to capitalize the future life of qualifying leases into the balance sheet as lease assets, lease liabilities, and deferred inflows of resources. This GASB is retroactively applied to 2022 and its beginning net position. Because the Board does not present comparative financial statements, they were only required to restate the beginning balance and 2021 financial statement line items have not been otherwise restated. In the MD&A section, the 2021 amounts remain consistent with prior year. Please refer to *Note 10* to the financial statements for additional information related to GASB 87 and the Board's leases.

Financial Highlights

The Board's net position decreased by \$1.9 million or approximately 8.0% from 2021. During the year, the Board received total revenue of \$11.1 million and expended \$14.0 million. Revenue decreased \$3.0 million from 2021, mainly due to a lower investment return in 2022. During 2022, expenditures for economic and community development decreased \$0.09 million and the Board's support for university projects decreased \$1.6 million. The Board recognized a loss on disposal for the Woodman building of \$1.8 million in 2022. Total expenditures increased by \$0.7 million over 2021.

Overview of Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. These basic financial statements are composed of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Board's finances in a manner similar to a private-sector business. The statement of net position presents information on all of the Board's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating. The statement of activities presents information showing how the Board's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flow changes only in future fiscal periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The Board maintains two governmental funds: the general fund and the permanent fund.

The Board adopts an annual mill levy budget. A budgetary comparison has been provided for the mill levy as supplemental information to the financial statements.

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Board's financial position. In the case of the Board, as of June 30, 2022, net position decreased by \$1.9 million. Total assets increased \$0.2 million while total liabilities and deferred inflows increased \$2.0 million from June 30, 2021.

	2022	2021	Increase (Decrease)
Assets			
Cash	\$ 5,014,383	\$ 3,873,438	\$ 1,140,945
Cash available from county treasurer	4,275,571	4,247,792	27,779
Cash held by county treasurer in escrow	1,143,048	1,142,151	897
Investments	4,403,792	5,319,407	(915,615)
Investments managed by related party	8,507,202	8,758,906	(251,704)
Right to use asset, net	43,614,117	-	43,614,117
Depreciable capital assets, net	2,212,499	45,663,578	(43,451,079)
	<u>\$ 69,170,612</u>	<u>\$ 69,005,272</u>	<u>\$ 165,340</u>
Liabilities			
Accounts payable	\$ 310,147	\$ -	\$ 310,147
Accrued interest	737,209	788,866	(51,657)
Lease liabilities/capital lease			
Due within one year	469,022	647,098	(178,076)
Due beyond one year	43,152,121	43,612,784	(460,663)
	<u>44,668,499</u>	<u>45,048,748</u>	<u>(380,249)</u>
	<u>3,767,242</u>	<u>688,093</u>	<u>3,079,149</u>
Deferred Inflow of Resources			
Net Position			
Net investment in capital assets	801,022	715,603	85,419
Unrestricted	8,087,865	9,229,378	(1,141,513)
Restricted			
Expendable	6,942,743	7,672,642	(729,899)
Nonexpendable	4,903,241	5,650,808	(747,567)
	<u>20,734,871</u>	<u>23,268,431</u>	<u>(2,533,560)</u>
	<u>\$ 69,170,612</u>	<u>\$ 69,005,272</u>	<u>\$ 165,340</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 69,170,612</u>	<u>\$ 69,005,272</u>	<u>\$ 165,340</u>

The decrease in assets was due to investment losses and the disposition of the Woodman Alumni Center and was offset recognition of a right-to-use asset related to GASB 87 implementation and an increase in cash. Total liabilities and deferred inflow of resources increased by approximately 4.4% from 2021 as a result of GASB 87 implementation, which resulted in an increase in deferred inflows of resources.

	2022	2021	Increase (Decrease)
General Revenue			
Gifts and contributions	\$ 7,680	\$ 2,680	\$ 5,000
Contributions from related entities	12,500	12,500	-
Property tax	8,966,904	8,812,271	154,633
Investment return and rentals, net	(523,742)	3,002,470	(3,526,212)
Lease revenue	100,000	-	100,000
Miscellaneous	20,851	20,851	-
	<u>8,584,193</u>	<u>11,850,772</u>	<u>(3,266,579)</u>
Program Revenue			
Experiential engineering building grant	<u>2,595,464</u>	<u>2,340,352</u>	<u>255,112</u>
Total revenue	<u>11,179,657</u>	<u>14,191,124</u>	<u>(3,011,467)</u>
Expenses/Expenditures			
Scholarships	4,683,871	4,631,989	51,882
Other student support	-	-	-
Economic and community development	784,796	871,467	(86,671)
Depreciation	1,543,540	1,307,664	235,876
General and administrative	133,878	184,647	(50,769)
University support	2,132,000	3,700,000	(1,568,000)
WSU Tech support	800,000	800,000	-
Other	310,147	-	310,147
Interest	1,835,464	1,867,152	(31,688)
Loss on disposal	1,835,642	-	1,835,642
Total expenses/expenditures	<u>14,059,338</u>	<u>13,362,919</u>	<u>696,419</u>
Revenues Over Expenses/Expenditures	<u>\$ (2,879,681)</u>	<u>\$ 828,205</u>	<u>\$ (3,707,886)</u>

Total revenue was \$3.0 million less in 2022 when compared to 2021. Investment income decreased \$3.5 million. Property tax revenue increased \$0.2 million.

Expenditures increased \$0.7 million in 2022 when compared to 2021. Expenditures for Wichita State capital projects decreased \$1.6 million from 2021 due to the less Board infrastructure contribution to Wichita State. The Board also had a loss on disposal of \$1.8 million for the Woodman building.

In 2022, the Board terminated the lease of the Woodman Alumni Center. As a result of the termination, the Board recognized a loss on disposal of the building. In addition, the maintenance reserve fund held by the Foundation and report in the Board's permanent fund will be liquidated. See *Note 9* for additional information.

Capital Assets

As of June 30, 2022, the Board had \$27.2 million invested in capital assets and 43.6 million in right to use assets, net.

	<u>2022</u>	<u>2021</u>
Depreciable capital assets		
Buildings	\$ 24,662,089	\$ 3,781,454
Furniture & fixtures	78,515	78,515
Infrastructure	2,461,870	2,461,870
Capitalized lease properties	-	72,631,455
	<u>27,202,474</u>	<u>78,953,294</u>
Less accumulated depreciation	<u>24,989,975</u>	<u>33,289,716</u>
Depreciable capital assets, net	<u>\$ 2,212,499</u>	<u>\$ 45,663,578</u>
Right to use assets, net	\$ 43,614,117	\$ -

Capital assets and right to use assets are improvements used to support the operations of WSU. The improvements were made utilizing proceeds from current or prior bond obligations. Leases on these improvements serve as collateral for outstanding long-term obligations. Because of the GASB 87 implementation, assets within the Buildings and Capitalized lease properties categories changed in June 30, 2022.

Debt Administration

At June 30, 2022, the Board had \$43.62 million in lease liabilities versus \$44.26 million capital lease obligations at June 30, 2021.

	<u>2022</u>	<u>2021</u>
Lease liabilities/capital lease		
Due within one year	\$ 469,022	\$ 647,098
Due beyond one year	<u>43,152,121</u>	<u>43,612,784</u>
Total long-term obligations	<u>\$ 43,621,143</u>	<u>\$ 44,259,882</u>

Economic Factors and Next Year's Budget

The Board's appointed trustees considered many factors prior to adopting the fiscal year 2023 budget.

A new line item for fiscal 2023 is University Strategic Initiatives to take advantage of opportunities related to the University President's strategic initiatives as they may arise. Another major factor that influences the budget for fiscal year 2023 is the anticipated level of tax revenue received from Sedgwick County. The source of the tax revenue is property taxes from the 1.5 mill levy assessed on the valuation of taxable property in Sedgwick County. The executive director of the Board of Trustees works with officials of the City of Wichita and Sedgwick County to determine the estimated revenue for the next budget year.

Request for Information

This financial report is designed to provide a general overview of the Board's finances for all those with an interest in the Board. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Troy Bruun, Associate Vice President, at 316.978.5585.

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Governmental Funds Balance Sheet/Statement of Net Position
June 30, 2022

	General Fund	Permanent Fund	Total Governmental Funds
Assets			
Cash	\$ 5,014,383	\$ -	\$ 5,014,383
Cash available from county treasurer	4,275,571	-	4,275,571
Cash held by county treasurer in escrow	1,143,048	-	1,143,048
Investments	-	4,403,792	4,403,792
Investments managed by related party	-	8,507,202	8,507,202
Right to use assets, net	-	-	-
Depreciable capital assets, net	-	-	-
Total assets	<u>\$ 10,433,002</u>	<u>\$ 12,910,994</u>	<u>\$ 23,343,996</u>
Liabilities			
Accounts payable	\$ -	\$ 310,147	\$ 310,147
Accrued interest	-	-	-
Lease liabilities			
Due within one year	-	-	-
Due beyond one year	-	-	-
Total liabilities	<u>-</u>	<u>310,147</u>	<u>310,147</u>
Deferred Inflow of Resources - Lease			
Sale-leaseback	-	-	-
Leases	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Fund balances			
Nonspendable			
Endowment fund principal	-	4,903,241	4,903,241
Assigned			
Internally designated funds	4,741,369	754,863	5,496,232
Restricted-expendable for scholarships and other student support	-	6,942,743	6,942,743
Unassigned			
General fund	5,691,633	-	5,691,633
Total fund balances	<u>10,433,002</u>	<u>12,600,847</u>	<u>23,033,849</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,433,002</u>	<u>\$ 12,910,994</u>	<u>\$ 23,343,996</u>
Net Position			
Net investment in capital assets	\$ -	\$ -	\$ -
Unrestricted	-	-	-
Restricted			
Expendable	-	-	-
Nonexpendable	-	-	-
Total net position	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Basic Financial Statements

Adjustments (Note 1)	Statement of Net Position
\$ -	\$ 5,014,383
-	4,275,571
-	1,143,048
-	4,403,792
-	8,507,202
43,614,117	43,614,117
2,212,499	2,212,499
<u>\$ 45,826,616</u>	<u>\$ 69,170,612</u>
\$ -	\$ 310,147
737,209	737,209
469,022	469,022
43,152,121	43,152,121
<u>44,358,352</u>	<u>44,668,499</u>
667,242	667,242
3,100,000	3,100,000
<u>3,767,242</u>	<u>3,767,242</u>
(4,903,241)	-
(5,496,232)	-
(6,942,743)	-
(5,691,633)	-
<u>(23,033,849)</u>	<u>-</u>
25,091,745	48,435,741
801,022	801,022
8,087,865	8,087,865
6,942,743	6,942,743
4,903,241	4,903,241
<u>20,734,871</u>	<u>20,734,871</u>
<u>\$ 45,826,616</u>	<u>\$ 69,170,612</u>

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Statement of Governmental Fund Revenues, Expenditures and
Changes in Fund Balance/Statement of Activities
Year Ended June 30, 2022

	General Fund	Permanent Fund	Total Governmental Funds
General Revenue			
Gifts and contributions	\$ -	\$ 7,680	\$ 7,680
Contributions from related entities	-	12,500	12,500
Property tax	8,966,904	-	8,966,904
Investment return and rentals, net	10,754	(534,496)	(523,742)
Lease revenue	-	-	-
Miscellaneous	-	-	-
	<u>8,977,658</u>	<u>(514,316)</u>	<u>8,463,342</u>
Program Revenue			
Experiential engineering building grant	<u>2,595,464</u>	<u>-</u>	<u>2,595,464</u>
Total revenue	<u>11,573,122</u>	<u>(514,316)</u>	<u>11,058,806</u>
Expenses/Expenditures			
Scholarships and other student support	4,331,174	352,697	4,683,871
Economic and community development	538,690	246,106	784,796
Depreciation	-	-	-
General and administrative	79,678	54,200	133,878
University support services	2,132,000	-	2,132,000
WSU Tech support	800,000	-	800,000
Other	-	310,147	310,147
Debt service - principal payments	2,457,281	-	2,457,281
Debt service - interest payments	40,854	-	40,854
Interest	-	-	-
Loss on disposal	-	-	-
	<u>10,379,677</u>	<u>963,150</u>	<u>11,342,827</u>
Revenue over (under) expenses/expenditures	<u>1,193,445</u>	<u>(1,477,466)</u>	<u>(284,021)</u>
Change in Net Position/Fund Balance	1,193,445	(1,477,466)	(284,021)
Total Net Position/Fund Balance - Beginning of the Year	8,474,515	14,078,313	22,552,828
Prior Period Adjustment	<u>765,042</u>	<u>-</u>	<u>765,042</u>
Total Net Position/Fund Balance - End of the Year	<u>\$ 10,433,002</u>	<u>\$ 12,600,847</u>	<u>\$ 23,033,849</u>

See Notes to Basic Financial Statements

Adjustments (Note 1)	Statement of Activities
\$ -	\$ 7,680
-	12,500
-	8,966,904
-	(523,742)
100,000	100,000
20,851	20,851
<hr/>	<hr/>
120,851	8,584,193
<hr/>	<hr/>
-	2,595,464
<hr/>	<hr/>
120,851	11,179,657
<hr/>	<hr/>
-	4,683,871
-	784,796
1,543,540	1,543,540
-	133,878
-	2,132,000
-	800,000
-	310,147
(2,457,281)	-
(40,854)	-
1,835,464	1,835,464
1,835,642	1,835,642
<hr/>	<hr/>
2,716,511	14,059,338
<hr/>	<hr/>
(2,595,660)	(2,879,681)
<hr/>	<hr/>
(2,595,660)	(2,879,681)
<hr/>	<hr/>
715,603	23,268,431
(418,921)	346,121
<hr/>	<hr/>
\$ (2,298,978)	\$ 20,734,871
<hr/>	<hr/>

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Statement of Mill Levy Fund Revenue, Expenditures and Changes
in Fund Balance – General Fund – Budgetary Basis
Year Ended June 30, 2022

	Current Year Mill Levy Budget	Current Year Mill Levy Actual	Budget Variance Positive (Negative)
General Revenue			
Property tax	\$ 8,576,861	\$ 8,939,124	\$ 362,263
Miscellaneous	302,000	-	(302,000)
Total revenue	<u>8,878,861</u>	<u>8,939,124</u>	<u>60,263</u>
Expenditures			
Scholarships and other student support	4,383,694	4,331,174	52,520
Economic and community development	486,000	538,690	(52,690)
General and administrative	77,600	75,438	2,162
Contingency	300,000	-	300,000
WSU Tech support	800,000	800,000	-
Total expenditures	<u>6,047,294</u>	<u>5,745,302</u>	<u>301,992</u>
Other Financing Sources (Uses)			
Transfers	<u>(2,831,567)</u>	<u>(3,204,578)</u>	<u>(373,011)</u>
Revenue Under Expenditures	<u>\$ -</u>	<u>\$ (10,756)</u>	<u>\$ (10,756)</u>

Board of Trustees of Wichita State University (A Component Unit of Wichita State University)

Notes to Basic Financial Statements

June 30, 2022

Note 1: Organization and Summary of Significant Accounting Policies

Reporting Entity

Board of Trustees of Wichita State University (Board) is a governmental entity responsible for the management of the mill levy monies arising out of the tax levy upon the citizens of Sedgwick County, Kansas and was established for the education enrichment purposes of Wichita State University (WSU) as a whole, including all the colleges and branches or divisions thereof as well as all the facilities and activities thereof, consistent with the objectives, operation and management of WSU. The Board is also responsible for the endowed funds of the University of Wichita (University) before the University became a state institution in 1964.

The Board was established under State of Kansas statute 76-3a16 and for accounting purposes is a component unit of WSU which is a component unit of the State of Kansas. The Board is not financially accountable for any other organizations. The financial statements reflect the operations of the Board and do not reflect the complete operations of WSU or the State of Kansas. As such, the Board's financial results are included in the State of Kansas's Comprehensive Annual Financial Report.

As required by accounting principles generally accepted in the United States of America, these basic financial statements present the financial activities of the Board. The Board follows the Governmental Accounting Standards Board (GASB) accounting pronouncements, which provide guidance for determining the governmental activities, organizations and functions that should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's governing body as the basic criterion for including a possible component governmental organization in the primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements (*i.e.*, the statement of net position and the statement of activities) report information on all of the Board's financial activities. Governmental activities are normally supported by taxes and intergovernmental revenue.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, the operating statement presents increases and decreases in net current assets and unassigned fund balance is a measure of available spendable resources. This means that only current liabilities are generally included on the governmental fund balance sheet.

The statement of net position does not equal the governmental funds balance sheet at June 30, 2022, due to net capital assets and certain liabilities that are not payable from available spendable resources in the statement of net position. See discussion regarding entity-wide adjustments column below.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Measurable means the amount of the transaction can be determined; available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available if collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred and is expected to be paid from available spendable resources.

Entity-wide Adjustments

The adjustments column on the governmental funds balance sheet/statement of net position represents the recording of capital assets, right to use assets, certain liabilities and deferred inflows of resources as required by GASB 34 and other GASB pronouncements.

The adjustments column on the statement of governmental fund revenues, expenditures and changes in fund balance/statement of activities is comprised of the following for the year ended June 30, 2022:

Amounts reported for the governmental funds are different from the statement of net position because of:

Depreciable capital assets, net of accumulated depreciation	\$ 2,212,499
Right to use assets, net of accumulated amortization	43,614,117
Lease liabilities	(43,621,143)
Accrued interest	(737,209)
Deferred inflow of resources - sale-leaseback	(667,242)
Deferred inflow of resources - leases	(3,100,000)
	<hr/>
Total adjustments	<u><u>\$ (2,298,978)</u></u>

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Notes to Basic Financial Statements
June 30, 2022**

Amounts reported for the governmental funds are different from the statement of activities because of:

Lease revenue	\$	100,000
Debt service - principal payments		2,457,281
Debt service - interest payments		40,854
Depreciation expense		(1,543,540)
Interest expense		(1,835,464)
Loss on disposal		(1,835,642)
Deferred gain		20,851
		20,851
Total adjustments	\$	(2,595,660)

Compliance

Budget

An annual budget is adopted on a basis consistent with budgetary basis. The budget is based on receipts from the property tax mill levy and includes only the Mill Levy Fund and the Plant Fund included in the Supplementary Information and therefore does not reconcile back to the basic financial statements. The Board does not budget for the General Fund, only for the Mill Levy Fund.

WSU prepares the annual budget for the mill levy and presents it to the Board for review and approval. During the year ended June 30, 2022, the budget for the mill levy had been approved by the Board, the City of Wichita, Sedgwick County and the Kansas Board of Regents. Total expenditures for the mill levy may not legally exceed the amount appropriated.

Fund Financial Statements

In order to ensure observation of limitations and restrictions placed on the use of the resources available to the Board, the accounts of the Board are maintained in accordance with the principles of “fund accounting.” This is the process by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. For financial reporting, the major funds have been grouped and are presented in this report as follows:

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Notes to Basic Financial Statements
June 30, 2022

General Fund

The General Fund is further divided internally into the following:

Operating Fund – This fund is used to account for unrestricted revenue and related operations of the Board and to acquire and maintain property.

Mill Levy Fund – This fund is comprised of monies arising out of the tax levy upon the citizens of Sedgwick County, Kansas.

Permanent Fund

Endowment and similar funds – This fund is comprised of endowment, restricted and committed funds. Endowment funds consist of investments or property, the principal of which is to remain intact with only the income available for expenditure. Restricted funds are expendable for scholarships and other student funds. Committed funds, while established by the Board for the same purposes as endowment funds, may be expended at the discretion of the Board.

Use of Estimates

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

Risk Management

The Board is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Commercial insurance coverage is purchased for claims arising from such matters. No claims have exceeded the amounts of coverage provided by these policies in any of the past three fiscal years.

Cash Available From County Treasurer

Cash available from county treasurer represents mill levy monies collected by Sedgwick County and expected to be distributed to the Board by the end of calendar year 2022.

Investments and Investment Return

Investments are stated at fair market value. All realized and unrealized gains and losses are accounted for in the fund which owned such asset.

Investment earnings (losses) consist of interest and dividend income and the net change for the year in the fair value of investments carried at fair value.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Lease Assets

Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided on the straight-line method over the lease term for capitalized lease properties. Depreciation on all other capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Improvements	7-40 years
Machinery and equipment	5-10 years

Deferred Inflows of Resources

The Board reports an acquisition of net position that is applicable to a future reporting period as deferred inflows of resources in a separate section of its statements of net position. The Board has one item that qualifies for reporting in this category, deferred inflows related to leases.

Net Position

Net position of the Board is classified in four components. Net investment in capital assets, consist of capital assets net of accumulated depreciation and right to use assets net of accumulated amortization, and are reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted expendable net position is noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the Board, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Restricted nonexpendable net position is noncapital assets that are required to be maintained in perpetuity as specified by parties external to the Board, such as permanent endowments. Unrestricted net position is remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Fund Balance – Governmental Funds

The fund balances of the Board’s governmental funds are displayed in four components:

Nonspendable – Amounts that are not in a spendable form or are required to be maintained intact.

Committed – Amounts that can be used only for the specific purposes as approved by the Board. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally.

Assigned – Amounts intended to be used by the Board for specific purposes as determined by management. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned – The residual classification for the General Fund and includes all amounts not contained in the other classifications.

The Board considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The Board applies assigned amounts first and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

At June 30, 2022, internally designated funds were assigned in the following manner:

Scholarships and student support	\$ 2,875,248
Economic and community development	482,659
Campus development	194,871
Debt service	1,143,048
Operations	<u>45,543</u>
	<u>\$ 4,741,369</u>

Income Taxes

The Board is generally exempt from federal and state income taxes under Section 115 of the Internal Revenue Code and a similar provision of state law. Accordingly, no provision for income taxes is included in the financial statements.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Note 2: Deposits, Investments and Investment Return

Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities or the state of Kansas; bonds of any city, county, school district or special road district of the state of Kansas; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

At June 30, 2022, \$4,764,383 of the Board's bank balances of \$5,014,383 were exposed to custodial credit risk. Deposits are covered by federal depository insurance up to \$250,000. The excess is covered by collateral held in the pledging bank's trust department in the Board's name. Fair value of pledged collateral is maintained at levels in excess of uninsured deposit balances.

Investments

The Board may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities and in bank repurchase agreements. It may also invest to a limited extent in corporate bonds and equity securities.

At June 30, 2022, the Board had the following investments and maturities:

Investment Type	Fair Value	Maturities in Years		
		Less than 1	1-5	Greater than 5
Money market funds	\$ 26,009	\$ 26,009	\$ -	\$ -
Fixed income mutual funds	1,185,010	407	660,423	524,180
Fixed income credit investments	64,008	-	-	64,008
Fixed income treasury	69,850	-	69,850	-
Fixed income global bonds	47,751	-	47,751	-
		<u>\$ 26,416</u>	<u>\$ 778,024</u>	<u>\$ 588,188</u>
Pooled investment (managed by related party)	8,507,202			
Equity mutual funds	1,940,555			
Common stock	677,632			
Alternative - Hedge Fund	392,977			
	<u>\$ 12,910,994</u>			

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Notes to Basic Financial Statements
June 30, 2022

The following classifies investment type by purpose at June 30, 2022.

Investment Type	Endowed Funds	Gore Trust Funds	Total
Money market funds	\$ -	\$ 26,009	\$ 26,009
Fixed income mutual funds	-	1,185,010	1,185,010
Fixed income credit investments	-	64,008	64,008
Fixed income treasury	-	69,850	69,850
Fixed income global bonds	-	47,751	47,751
Pooled investment	8,507,202	-	8,507,202
Equity mutual funds	-	1,940,555	1,940,555
Common stock	-	677,632	677,632
Alternative - Hedge Fund	-	392,977	392,977
Total investment	<u>\$ 8,507,202</u>	<u>\$ 4,403,792</u>	<u>\$ 12,910,994</u>

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates, the Wichita State University Foundation (Foundation) (see *Note 9*) investment policy followed by the Board includes ongoing assessment of the composition of fixed income investments to total investments.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Board requires investments to be maintained in accordance with the Wichita State University Foundation investment policy.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Board will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Of the Board’s \$12.91 million of investments, \$12.91 million (including \$8.5 million managed by a related party) of the underlying securities are held by the investment’s counterparty, not in the name of the Board, and are therefore exposed to custodial credit risk.

Concentration of Credit Risk – The Board places no limit on the amount that may be invested in any one issuer. At June 30, 2022, the Board’s investment in a pooled investment managed by a related party constituted 65.9% of its total investments.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Summary of Carrying Values

The carrying values of deposits above are included in the governmental funds balance sheet/statement of net position as follows:

Carrying value	
Deposits	<u>\$ 5,014,383</u>

Note 3: Endowments and Similar Funds

The Board has established an investment policy with the objectives of protecting the principal of these funds and maximizing total investment return without assuming extraordinary risks. It is the goal of the Board to provide spendable income levels that are reasonably stable and sufficient to meet budgetary requirements and to maintain a spending rate, currently established at 4.25%, which ensures a proper balance between the preservation of corpus and enhancement of the purchasing power of investment earnings. As of June 30, 2022, the Board had a total of \$286,983 of net appreciation from investment of donor-restricted endowments available for expenditure. This amount is reported in expendable restricted net position on the statement of net position. The laws of the State of Kansas do not currently restrict the Board's ability to spend net appreciation on donor-restricted endowment funds.

Note 4: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying financial statements measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2022:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 26,009	\$ 26,009	\$ -	\$ -
Fixed income mutual funds	1,185,010	1,185,010	-	-
Fixed income credit investments	64,008	64,008	-	-
Fixed income treasury	69,850	69,850	-	-
Fixed income global bonds	47,751	-	47,751	-
Pooled investment	8,507,202	-	8,507,202	-
Equity mutual funds	1,940,555	1,940,555	-	-
Common stock	677,632	677,632	-	-
Alternative - Hedge Fund	392,977	392,977	-	-
	<u>\$ 12,910,994</u>	<u>\$ 4,356,041</u>	<u>\$ 8,554,953</u>	<u>\$ -</u>

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Board has no investments classified as Level 3.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Note 5: Capital and Lease Assets

Capital assets activity for the year ended June 30, 2022, was:

	Beginning Balance Restated	Additions	Disposals	Ending Balance
Depreciable capital assets				
Buildings	\$ 29,676,229	\$ -	\$ (5,014,140)	\$ 24,662,089
Furniture and fixtures	78,515	-	-	78,515
Infrastructure	2,461,870	-	-	2,461,870
	<u>32,216,614</u>	<u>-</u>	<u>(5,014,140)</u>	<u>27,202,474</u>
Less accumulated depreciation	28,031,840	136,633	(3,178,498)	24,989,975
Depreciable capital assets, net	<u>\$ 4,184,774</u>	<u>\$ (136,633)</u>	<u>\$ (1,835,642)</u>	<u>\$ 2,212,499</u>

Lease assets activity for the years ended June 30, 2022, was:

	Beginning Balance Restated	Additions	Disposals	Ending Balance
Right to use, facility	\$ 45,021,024	\$ -	\$ -	\$ 45,021,024
Less accumulated amortization	-	1,406,907	-	1,406,907
Right to use assets, net	<u>\$ 45,021,024</u>	<u>\$ (1,406,907)</u>	<u>\$ -</u>	<u>\$ 43,614,117</u>

Note 6: Long-term Obligations

The following is a summary of long-term obligation transactions for the year ended June 30, 2022:

	Beginning Balance Restated	Additions	Deductions	Ending Balance	Current Portion
Lease liability	<u>\$ 45,021,024</u>	<u>\$ -</u>	<u>\$ 1,399,881</u>	<u>\$ 43,621,143</u>	<u>\$ 469,022</u>

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

Note 7: Lease Liabilities

The Board leases a facility, the terms which expires in 2054. Payments are based on the lease agreement.

The following is a schedule by year of payments under the leases as of June 30, 2022:

Year Ending	Total to be Paid	Principal	Interest
2023	\$ 2,499,226	\$ 469,022	\$ 2,030,204
2024	2,498,426	712,623	1,785,803
2025	2,495,657	734,510	1,761,147
2026	2,496,176	770,412	1,725,764
2027	2,499,739	805,924	1,693,815
2028-2032	12,492,074	4,546,561	7,945,513
2033-2037	12,488,118	5,562,380	6,925,738
2038-2042	12,483,213	6,811,937	5,671,276
2043-2047	12,484,249	8,342,859	4,141,390
2048-2052	12,481,850	10,215,715	2,266,135
2053-2054	4,995,550	4,649,200	346,350
	<u>\$ 79,914,278</u>	<u>\$ 43,621,143</u>	<u>\$ 36,293,135</u>

Note 8: Deferred Inflow of Resources – Lease

The Wichita State University (WSU) subleases a portion of the John Bardo Center from the Board. WSU made payments in FY2016 and FY2017 in total of \$4 million and are the only consideration WSU has paid to date. The sublease commenced in 2014 and states that WSU has use of the John Bardo Center until the end of the lease term in 2054. The Statement of Net position shows the remaining \$3.1 million of deferred inflow of resources related to this sublease payments to be amortized as lease revenue over the next 32 years at \$100,000 per year.

Note 9: Related Party Transactions

Certain assets related to endowed funds were transferred to the Foundation for management in accordance with a management services agreement. Cash and certain investments were combined with Foundation accounts. The amount of assets, consisting of investments, pooled with Foundation accounts totaled \$8,507,202 at June 30, 2022.

WSU paid \$2,595,464 to the Board to help fund the payments on the John Bardo Center.

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Notes to Basic Financial Statements

June 30, 2022

During 2022, the Board contributed \$1,600,000 for the Deloitte Smart Factory energy sustainability project and campus pond improvements. The Board also contributed \$532,000 to the University for annual debt service for the outstanding revenue bonds used to construct the National Institute for Research and Digital Transformation.

In June 2022, the Board entered into a Memorandum of Understanding with the Foundation, the Alumni Association, and the University to terminate the lease of the Woodman Alumni Center. Throughout the life of the lease, the Board had contributed \$12,500 into a maintenance reserve fund held by the Foundation and reported in the Board's permanent fund. The balance of the maintenance reserve account was reported as committed fund balance. As part of the MOU, the Board agreed to liquidate the maintenance funds, with a portion to be paid to the Foundation for ongoing maintenance costs of the Alumni Center, and the balance to be paid to the Board. As of June 30, 2022, \$310,417 is recorded as payable to the Foundation. The full amount of the maintenance reserve fund has been reclassified as assigned as of June 30, 2022, and the remaining balance will be transferred to the general funding in fiscal year 2023.

Note 10: Adoption of Governmental Accounting Standards Board Statements

In 2022, the Board adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. This objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 87 was adopted on July 1, 2021, resulting in recognition deferred inflow of resources of \$3.2 million for lessor contracts, which were reported at present value using the Board's implicit interest rate; and right to use assets of \$45.0 million and lease liabilities of \$45.0 million for lessee contracts, which were reported at present value using the Board's implicit interest rate noted in the contract as of July 1, 2021.

Supplementary Information

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Schedule of Fund Assets, Liabilities and Fund Balances (Deficit)
(Including Capital Assets)
June 30, 2022

	Mill Levy Carryover	Mill Levy	Plant Fund
Assets			
Cash	\$ 4,741,369	\$ 273,014	\$ -
Cash available from county treasurer	-	4,275,571	-
Cash held by county treasurer in escrow	-	-	1,143,048
Investments	-	-	-
Investments managed by related party	-	-	-
Right to use asset, net	-	-	-
Building	-	-	-
Furniture and fixtures	-	-	-
Infrastructure	-	-	-
Accumulated depreciation	-	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 4,741,369</u>	<u>\$ 4,548,585</u>	<u>\$ 1,143,048</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued interest	-	-	-
Lease liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<hr/> -	<hr/> -	<hr/> -
Deferred Inflow of Resources			
Sale-leaseback	-	-	-
Leases	-	-	-
	<hr/>	<hr/>	<hr/>
Total deferred inflow of resources	<hr/> -	<hr/> -	<hr/> -
Fund Balances (Deficit)			
Invested in capital assets	-	-	-
Restricted			
Expendable	-	-	-
Nonexpendable	-	-	-
Unrestricted	4,741,369	4,548,585	1,143,048
	<hr/>	<hr/>	<hr/>
Total fund balance (deficit)	<hr/> 4,741,369	<hr/> 4,548,585	<hr/> 1,143,048
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balance (deficit)	<u>\$ 4,741,369</u>	<u>\$ 4,548,585</u>	<u>\$ 1,143,048</u>

Permanent Fund	Adjustments	Total
\$ -	\$ -	\$ 5,014,383
-	-	4,275,571
-	-	1,143,048
4,403,792	-	4,403,792
8,507,202	-	8,507,202
-	43,614,117	43,614,117
-	24,662,089	24,662,089
-	78,515	78,515
-	2,461,870	2,461,870
-	(24,989,975)	(24,989,975)
<u>\$ 12,910,994</u>	<u>\$ 45,826,616</u>	<u>\$ 69,170,612</u>
\$ 310,147	\$ -	\$ 310,147
-	737,209	737,209
-	43,621,143	43,621,143
<u>310,147</u>	<u>44,358,352</u>	<u>44,668,499</u>
-	667,242	667,242
-	3,100,000	3,100,000
-	3,767,242	3,767,242
-	801,022	801,022
6,942,743	-	6,942,743
4,903,241	-	4,903,241
754,863	(3,100,000)	8,087,865
<u>12,600,847</u>	<u>(2,298,978)</u>	<u>20,734,871</u>
<u>\$ 12,910,994</u>	<u>\$ 45,826,616</u>	<u>\$ 69,170,612</u>

**Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)**

Schedule of Fund Activities

Year Ended June 30, 2022

	Operating	Mill Levy Carryover	Mill Levy
Revenue			
Gifts and contributions	\$ -	\$ -	\$ -
Contributions from related entities	-	-	-
Property tax	-	-	8,966,904
Investment return and net rentals	10,313	-	-
Experimental engineering building grant	-	2,595,464	-
Rent	-	-	-
Miscellaneous	-	-	-
	<u>10,313</u>	<u>2,595,464</u>	<u>8,966,904</u>
Total revenue	<u>10,313</u>	<u>2,595,464</u>	<u>8,966,904</u>
Expenses/Expenditures			
Scholarships and other student support	-	-	4,331,174
Economic and community development	-	-	538,690
General and administrative	49,153	-	-
University support services	-	2,132,000	-
WSU Tech support	-	-	800,000
Other	-	-	-
Debt service - principal payments	-	-	-
Debt service - interest payments	-	-	-
Interest	-	-	-
Loss on disposal	-	-	-
Depreciation and amortization	-	-	-
	<u>49,153</u>	<u>2,132,000</u>	<u>5,669,864</u>
Total expenditures	<u>49,153</u>	<u>2,132,000</u>	<u>5,669,864</u>
Revenue over (under) expenses/expenditures	<u>(38,840)</u>	<u>463,464</u>	<u>3,297,040</u>
Transfers	<u>38,840</u>	<u>701,474</u>	<u>(3,269,430)</u>
Increase (Decrease) in Fund Balances	-	1,164,938	27,610
Fund Balances (Deficit), Beginning of Year	-	3,576,431	4,520,975
Fund Balances (Deficit), Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit), End of Year	<u>\$ -</u>	<u>\$ 4,741,369</u>	<u>\$ 4,548,585</u>

Plant Fund	Permanent Fund	Adjustments	Total
\$ -	\$ 7,680	\$ -	\$ 7,680
-	12,500	-	12,500
-	-	-	8,966,904
441	(534,496)	-	(523,742)
-	-	-	2,595,464
-	-	100,000	100,000
-	-	20,851	20,851
<u>441</u>	<u>(514,316)</u>	<u>120,851</u>	<u>11,179,657</u>
-	352,697	-	4,683,871
-	246,106	-	784,796
30,525	54,200	-	133,878
-	-	-	2,132,000
-	-	-	800,000
-	310,147	-	310,147
2,457,281	-	(2,457,281)	-
40,854	-	(40,854)	-
-	-	1,835,464	1,835,464
-	-	1,835,642	1,835,642
-	-	1,543,540	1,543,540
<u>2,528,660</u>	<u>963,150</u>	<u>2,716,511</u>	<u>14,059,338</u>
<u>(2,528,219)</u>	<u>(1,477,466)</u>	<u>(2,595,660)</u>	<u>(2,879,681)</u>
<u>2,529,116</u>	<u>-</u>	<u>-</u>	<u>-</u>
897	(1,477,466)	(2,595,660)	(2,879,681)
377,109	14,078,313	715,603	23,268,431
765,042	-	(418,921)	346,121
<u>\$ 1,143,048</u>	<u>\$ 12,600,847</u>	<u>\$ (2,298,978)</u>	<u>\$ 20,734,871</u>

Board of Trustees of Wichita State University
(A Component Unit of Wichita State University)
Schedule of Mill Levy Budget and General Fund Activity
Year Ended June 30, 2022

	Current Year Mill Levy Budget	Current Year Mill Levy Actual	Mill Levy Carryover Prior Years Actual
General Revenue			
Property tax	\$ 8,576,861	\$ 8,939,124	\$ -
Investment earnings and net rentals	-	-	-
Experimental engineering building grant	-	-	-
Miscellaneous	302,000	-	-
	<u>8,878,861</u>	<u>8,939,124</u>	<u>-</u>
Total revenue	<u>8,878,861</u>	<u>8,939,124</u>	<u>-</u>
Expenditures			
Scholarships and other student support	4,383,694	4,331,174	-
Economic and community development	486,000	538,690	-
General and administrative	77,600	75,438	-
Contingency	300,000	-	-
University support services	-	-	2,132,000
WSU Tech support	800,000	800,000	-
Rent expense	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>6,047,294</u>	<u>5,745,302</u>	<u>2,132,000</u>
Revenue over (under) expenditures	2,831,567	3,193,822	(2,132,000)
Other Financing Sources (Uses)			
Transfers	<u>(2,831,567)</u>	<u>(3,204,578)</u>	<u>701,474</u>
Revenues over expenditures	-	(10,756)	(1,430,526)
Total Fund Balance - Beginning of the Year	<u>-</u>	<u>(2,470,705)</u>	<u>13,257,822</u>
Total Fund Balance - End of the Year	<u>\$ -</u>	<u>\$ (2,481,461)</u>	<u>\$ 11,827,296</u>

Other General Fund Actual	Total General Fund Actual
\$ -	\$ 8,939,124
10,313	10,313
2,595,463	2,595,463
-	-
2,605,776	11,544,900
-	4,331,174
-	538,690
-	75,438
-	-
-	2,132,000
-	800,000
2,498,136	2,498,136
-	-
2,498,136	10,375,438
107,640	1,169,462
3,204,578	701,474
3,312,218	1,870,936
6,196,300	16,983,417
\$ 9,508,518	\$ 18,854,353

