COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
(A UNIVERSITY WITHIN THE COLORADO STATE UNIVERSITY SYSTEM)

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT
YEARS ENDED JUNE 30, 2022 AND 2021

COMPLIANCE AUDIT
YEAR ENDED JUNE 30, 2022

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REPORT NUMBER 2216F-B

CliftonLarsonAllen LLP
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December 9, 2022

Members of the Legislative Audit Committee:

We have completed the financial statement audits of Colorado State University – Global Campus as of and for the years ended June 30, 2022 and 2021. Our audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

We were engaged to conduct our audits pursuant to Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct or cause to be conducted audits of all departments, institutions and agencies of state government. The reports which we have issued as a result of this engagement are set forth in the table of contents which follows.

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COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
REPORT SUMMARY
YEARS ENDED JUNE 30, 2022 AND 2021

Purposes and Scope of Audit

The Office of the State Auditor engaged CliftonLarsonAllen LLP (CLA) to conduct financial audits of Colorado State University – Global Campus (CSU – Global) for the years ended June 30, 2022 and 2021. CLA performed the audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

The purposes and scope of the audits were to:

- Express an opinion on the financial statements of CSU – Global as of and for the years ended June 30, 2022 and 2021. This includes a report on internal control over financial reporting and on compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters based on our audits of the financial statements performed in accordance with Government Auditing Standards for the year ended June 30, 2022.

- Evaluate compliance with certain provisions of laws, regulations, contracts and grants governing the expenditure of federal and state funds for the years ended June 30, 2022 and 2021.

Audit Opinions and Reports

The independent auditors' reports included herein expressed unmodified opinions on CSU – Global's financial statements as of and for the years ended June 30, 2022 and 2021.

No material weaknesses in internal control over financial reporting were identified.

No instances of noncompliance considered to the financial statements were disclosed by the audit.

There are no findings and recommendations reported for the year ended June 30, 2022.

Significant Audit Adjustments

A summary of significant audit adjustments reported for the year ended June 30, 2022 is included on page 59.

Summary of Progress in Implementing Prior Audit Recommendations

A summary of the findings and recommendations reported for the year ended June 30, 2021 is included on page 4.

Organization and Administration

Colorado State University-Global Campus (CSU – Global) is the newest institution in the Colorado State University System (the System), an established university system with a rich 150-year history that evolved from agrarian roots as a land-grant institution. CSU – Global was established on August 24, 2007, by the System Board of Governors with a central goal of meeting the educational needs of adult learners in the State of Colorado and beyond by providing high quality online programs. On May 7, 2008, the System Board of Governors delegated authority to CSU – Global to oversee academic, personnel, and financial matters consistent with powers granted to CSU and CSU – Pueblo. Thereafter, CSU – Global was legally sanctioned as a third, independent University on March 18, 2009, when Colorado's Governor Ritter signed into law the State of Colorado Senate Bill 09-086 declaring the establishment of the CSU – Global Campus as an online university that is part of the Colorado State University System.

CSU – Global is the first statutorily-defined 100% online public university in the United States. It has a unique focus on the success of adult, nontraditional learners with learning outcomes focused on theory, knowledge, and skills necessary to secure employment and improve job performance. From its first class of nearly 200 students in 2008, CSU – Global has now grown to have a student body of over 7,000 full-time equivalent (FTE) students.

On June 30, 2011, Colorado State University – Global Campus was officially granted independent regional accreditation status by the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools. CSU – Global is the first public university in Colorado to receive initial HLC accreditation since 1971, a significant achievement for the university, the CSU System, and online education. The role and mission of CSU – Global is established in Title 23, C.R.S.

The Board of Governors of the Colorado State University System (the Board) has control and supervision of CSU – Global. The Board consists of 15 members: Nine voting members appointed by the Governor and confirmed by the Senate for four-year terms and six advisory, non-voting members representing the student bodies and the faculty councils elected for one-year terms.

The Board is authorized to set tuition, pay expenses, and hire officials. The chief academic and administrative officers are the Chancellor of the Colorado State University System and the President of each institution.

Academic Degree Programs

CSU – Global currently offers fifteen online undergraduate programs which lead to Bachelor of Science degrees in the following disciplines:

- Accounting
- Business Management
- Computer Science
- Criminal Justice
- Cybersecurity
- Finance
- Healthcare Administration and Management
- Human Resource Management
- Human Services
- Information Technology
- Interdisciplinary Professional Studies
- Management Information Systems and Business Analytics
- Marketing
- Organizational Leadership
- Project Management

CSU – Global also currently offers eighteen graduate level degree programs in the following disciplines:

- Master of Business Administration
- Master of Science in Artificial Intelligence and Machine Learning
- Master of Criminal Justice
- Master of Educational Leadership
- Master of Science in Data Analytics
- Master of Finance
- Master of Healthcare Administration
- Master of Human Resource Management
- Master of Information Technology Management
- Master of Science in Management
- Master of Marketing
- Master of Interdisiplinary Studies
- Master of Military & Emergency Responder Psychology
- Master of Science in Organizational Leadership
- Master of Science in Organizational Leadership – Executive Express Path
- Master of Professional Accounting
- Master of Project Management
- Master of Science in Teaching and Learning

Colorado State University – Global Campus

CSU – Global was created by the Colorado State University System Board of Governors in 2007, and initiated its student instruction in Fall 2008. Built on a foundation of low cost, accountability, adaptability to marketplace needs, and sensitivity to student needs, CSU – Global is focused on facilitating adult success in a global marketplace through career- relevant education.

CSU – Global's degree programs and specializations are carefully selected and crafted to prepare students for relevant jobs and careers that have current and forecasted long-term growth. Instructors with industry expertise and top academic credentials lead courses that emphasize not only pertinent professional information, but they also seek to expand vital skills of critical thinking, evaluation, examination, and decision making-all important factors in both securing and keeping desirable jobs.

Mission Statement

CSU – Global Campus is committed to advancing student academic and professional success in a global society, by providing access to dynamic education characterized by excellence, innovative delivery technologies, industry relevance, and strong stakeholder engagement.

CSU – Global reports FTE for student, faculty and staff for three continuous years as follows:

Colorado State University – Global Campus
Full-Time Equivalent (FTE) Student Enrollment

Fiscal Year	Resident	Nonresident	Total
2021-2022	2,536	4,728	7,264
2020-2021	2,964	5,520	8,484
2019-2020	2,993	5,597	8,590

Colorado State University – Global Campus
Full-Time Equivalent (FTE) Faculty and Staff

Fiscal Year	Faculty	Staff	Total
2021-2022	295	199	494
2020-2021	312	187	499
2019-2020	308	212	520

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
DISPOSITION OF PRIOR AUDIT RECOMMENDATIONS
YEARS ENDED JUNE 30, 2022 AND 2021

Recommendation No.	Fiscal Year Ended June 30, 2021 Recommendation	Status
1	The Colorado State University – Global Campus should strengthen its internal control over financial reporting by ensuring its account balance reconciliations are accurate and complete and ensuring exhibits are submitted by their due dates and that exhibit revisions are submitted soon after errors are identified.	Implemented

INDEPENDENT AUDITORS' REPORT

Members of the Legislative Audit Committee and Board of Governors
Colorado State University – Global Campus
Aurora, Colorado

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of Colorado State University – Global Campus (CSU – Global), as of and for the years ended June 30, 2022 and 2021 and the related notes to the financial statements, which collectively comprise the entity'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 of CSU – Global, as of June 30, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

Implementation of GASB Statement No. 87

During fiscal year ended June 30, 2022, CSU – Global adopted GASB Statement No. 87 *Leases.* As a result of the implementation of this standard, CSU – Global reported a restatement for the change in accounting principle (see Note 3 to the financial statements) as of July 1, 2020. Our auditors' opinion was not modified with respect to the restatement.

Colorado State University System

As more fully discussed in Note 2, the financial statements of CSU – Global do not purport to, and do not, present fairly the financial position or results of operations of the Colorado State University System as a whole as of and for the years ended June 30, 2022 and 2021.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 CSU – Global's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise 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 judgement 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 judgement 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 CSU – Global'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 CSU – Global'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 pension and other postemployment benefit information listed on pages 8 - 13 and 48 – 53 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2022, on our consideration of CSU – Global’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 CSU – Global’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 CSU – Global’s internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
December 9, 2022

Management's Discussion and Analysis

This section of the financial report presents management's discussion and analysis of the financial performance of Colorado State University-Global Campus (CSU – Global) for the fiscal years ended June 30, 2022 and 2021. CSU – Global began offering classes to students in fiscal year 2009 and achieved a positive net position (total assets in excess of total liabilities) in fiscal year 2012. Management's comments will primarily focus on the periods ending June 30, 2020 through June 30, 2022. This discussion provides an analysis of the university's financial activities based on currently known facts, decisions, or existing conditions, and should be read in conjunction with CSU – Global's financial statements and notes thereto, which are also presented in this document. The analyses in this section of the report are unaudited.

Enrollment and Financial Highlights

The following accomplishments occurred during the fiscal years ended June 30, 2022, 2021 and 2020:

- Student enrollment (unduplicated headcount) decreased by 11.7% between fiscal years 2021 and 2022, and decreased 6.5% between fiscal years 2020 and 2021.
- Student enrollment (FTE) decreased 14.4% and 1.2% between fiscal years 2021 and 2022 and between fiscal years 2020 and 2021, respectively.
- Unique course offerings to our students increased 1.2% and 5.1% between fiscal years 2021 and 2022 and between fiscal years 2020 and 2021, respectively.
- CSU – Global's net position decreased from $93.7 million at June 30, 2021 to $69.4 million at June 30, 2022. CSU – Global's net position increased from $77.8 million at June 30, 2020 to $93.7 million at June 30, 2021.
- During fiscal years 2022 and 2021, CSU – Global made distributions to the CSU System Board of Governors or other institutions of $37.7 million and $26.5 million, respectively.

The Basic Financial Statements

The enclosed financial statements are designed to provide readers with a broad overview of CSU – Global's financial activities. The statements of net position, statements of revenues, expenses and changes in net position, and the statements of cash flow compose the basic financials of CSU – Global.

Financial Analysis Statement of Net Position

The statement of net position presents the financial position of CSU – Global and includes all assets, liabilities, and deferred inflows and outflows of the university at a point in time. CSU – Global assets exceeded liabilities resulting in positive net position by $69,386,996, $93,674,634, and $77,799,753, at June 30, 2022, 2021 and 2020, respectively. At June 30, 2022, the majority (49%) of CSU – Global's current assets are held as cash and cash equivalents. Surplus reserves or net position is primarily designated to fund strategic initiatives such as enrollment growth and exceptional customer service, to maintain financial stability as required by the Board and Higher Learning Accrediting Authorities and for the development of new and maintenance of existing online courses and degree programs.

Summary of Net Position

	June 30, 2022	June 30, 2021*	June 30, 2020
Current Assets	$ 34,446,182	$ 54,986,023	$ 44,553,869
Capital Assets	2,984,694	3,326,919	934,718
Noncurrent Assets	48,496,105	56,661,262	46,469,754
Total Assets	85,926,981	114,974,204	91,958,341
Deferred Outflows of Resources	170,461	359,931	220,898
Total Assets and Deferred Outflows of Resources	86,097,442	115,334,135	92,179,239
Current Liabilities	10,991,076	14,803,269	8,391,533
Noncurrent Liabilities	4,620,062	5,871,222	4,010,817
Total Liabilities	15,611,138	20,674,491	12,402,350
Deferred Inflows of Resources	1,099,308	985,010	1,977,136
Total Liabilities and Deferred Inflows of Resources	16,710,446	21,659,501	14,379,486
Net Position			
Investment in Capital Assets, Net of Related Debt	796,282	720,374	934,718
Restricted	130,890	-	-
Unrestricted	68,459,824	92,954,260	76,865,035
Total Net Position	$ 69,386,996	$ 93,674,634	$ 77,799,753

*As restated

2022 Compared to 2021

Decreased enrollment coupled with an increased transfer to the System contributed to the changes in CSU – Global's statement of net position as outlined below:

- Cash and cash equivalents decreased $14.7 million, or 46.6% due to a combination of the decrease in operating income and increase in the CSU System Reserves Policy transfer, which requires CSU – Global to transfer funds to the System based on the previous fiscal years fund balance and projected earnings for the current fiscal year.
- Net student accounts receivable decreased $5.1 million, or 51.4% due to the timing of tuition billing. In 2022, July 2022 tuition was billed after fiscal year-end, whereas in 2021, July 2021 tuition was billed before fiscal year-end.
- Other accounts receivable remained consistent with fiscal year 2021.
- Net capital assets decreased $342 thousand, or 10.3%, from fiscal year 2021 due to annual depreciation and amortization expense. In fiscal year 2022, construction in progress increased $269 thousand as compared to fiscal year 2021 due to the website redesign project that is scheduled to be completed in fiscal year 2023.

- Current liabilities decreased $3.8 million, or 25.8%, primarily due to the timing of billing July 2022 tuition after fiscal year-end led to a decrease in unearned revenue which is included within current liabilities.

- Noncurrent liabilities decreased by $1.3 million, or 21.3%, primarily as a result of the decrease in the net pension liability.

- The change in deferred outflows and deferred inflows are the result of change in deferred items related to pension and other post-employment benefit plans.

2021 Compared to 2020

Continued expansion of new courses and degree programs followed by stable enrollment growth contributed to the changes in CSU – Global statement of net position as outlined below:

- Cash and cash equivalents increased $6.5 million, or 25.7% due to a drawdown request from the U.S. Department of Education for reimbursement of disbursed financial aid being received at fiscal year-end.

- Net student accounts receivable increased $3.6 million, or 55.8% due to an increase in open student accounts. In 2021, July tuition was billed to students before fiscal year-end whereas in 2020, July tuition was billed after fiscal year-end.

- Other accounts receivable remained consistent with fiscal year 2020.

- Net capital assets increased $2.4 million, or 255.9%, from fiscal year 2020 due to the implementation of GASB 87 Leases, which added the Right-to-Use Leased Building as an amortizable asset.

- Current liabilities increased $6.4 million, or 76.4%, primarily due to the receipt of a significant invoice for advertising services that were performed in Fiscal Year 2021. The invoice was received after fiscal year-end and was, therefore, recorded as an accrued liability. Additionally, the timing of billing July tuition before fiscal year-end led to an increase in unearned revenue which is included within current liabilities.

- Noncurrent liabilities increased by $1.9 million, or 46.4%, primarily as a result of the implementation of GASB 87 Leases, which added a Leases Payable liability.

- The change in deferred outflows and deferred inflows are the result of change in deferred items related to pension and other post-employment benefit plans.

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents the financial operating results of CSU – Global for the reporting period. Operating and nonoperating revenues and expenses and the resulting increase/decrease (changes in net position) during the year are shown in this statement.

Revenues, Expenses, and Changes in Net Position

	June 30, 2022	June 30, 2021*	June 30, 2020
Operating Revenues			
Tuition and Fees, Net	$ 75,144,325	$ 89,098,068	$ 88,920,052
Other	8,040,371	6,685,082	4,454,000
Total Operating Revenues	83,184,696	95,783,150	93,374,052
Operating Expenses			
Instruction	19,208,665	19,785,097	19,055,877
Academic Support	6,990,330	6,508,894	7,640,131
Student Services	26,791,516	28,769,129	29,496,001
Institutional Support	8,102,703	7,431,377	7,165,811
Operation and Maintenance of Plant	757	-	619,828
Scholarships and Fellowships	12,232,739	11,858,943	11,042,732
Depreciation	611,695	749,893	411,887
Total Operating Expenses	73,938,405	75,103,333	75,432,267
Net Operating Revenues	9,246,291	20,679,817	17,941,785
Nonoperating Revenues			
Investment Income	(8,015,695)	9,827,722	2,358,192
Interest Expense on Capital Debt	(28,606)	(34,658)	-
Federal Nonoperating Grants and Contracts	12,232,739	11,858,943	11,042,732
Transfer from State of Colorado Related to Pensions	19,379	-	24,608
Net Nonoperating Revenues	4,207,817	21,652,007	13,425,532
Income Before Other Revenues, Expenses, Gains or Losses	13,454,108	42,331,824	31,367,317
Payments to Governing Boards or Other Insitutions	(37,741,746)	(26,456,943)	(40,333,159)
Change in Net Position	(24,287,638)	15,874,881	(8,965,842)
Net Position - Beginning of Year	93,674,634	77,799,753	86,765,595
Net Position - End of Year	$ 69,386,996	$ 93,674,634	$ 77,799,753

*As restated

2022 Compared to 2021

Decreased tuition and fee revenue led to decreases in operating revenue. Additionally, unrealized losses on CSU – Global's investments led to significant decreases in nonoperating revenue.

- Total student enrollment based on full-time equivalents decreased 14.3%, contributing to the decrease of $14.0 million or 15.8% decrease in tuition and fee revenue.

- Other operating revenues increased $1.4 million or 20.3% due to an increase in the number of courses developed for and offered to the Saudi Electronic University.

- The number of non-teaching or support staff employees (full-time equivalent) decreased 5.5% from fiscal year 2021. The number of teaching staff (full-time equivalent) increased 6.4% from fiscal year 2021. This resulted in a net decrease in faculty and staff of 1.0%, contributing to the decrease in operating costs of $1.2 million or 1.7%.

- Nonoperating revenues decreased $17.4 million or 80.6% due to unrealized losses on CSU – Global's investment holdings. During fiscal year 2022, CSU – Global disbursed $2.9 million in Higher Education Emergency Relief Fund (HEERF) student emergency grants which are recognized as a component of nonoperating revenues.

- CSU – Global's change in net position before transfers of $13.5 million for fiscal year 2022 compared to $42.3 million for fiscal year 2021 was the result of decreased operating revenue due to decreases in enrollment and decreased nonoperating revenues due to a large decrease in investment income.

- As a result of strong financial results over a period of years, CSU – Global was able to make a transfer of $37.7 million to the CSU System during fiscal year 2022. This transfer is required under the CSU System Reserves Policy, which requires that CSU – Global transfers net assets in excess of the institutional reserve to the CSU System. CSU – Global retains a sufficient institutional reserve to maintain a strong overall financial position.

2021 Compared to 2020

Increased revenue generated from course hosting combined with stable enrollment during the COVID-19 pandemic led to increases in operating revenues. CSU – Global offers fixed tuition pricing. Once a student enrolls in a degree program, the tuition rate is locked as long as the student remains in classes and in good academic standing.

- Total student enrollment based on full-time equivalents decreased 1.2%, however a decrease in institutional scholarships and an increase in application fees led to a slight increase in tuition and fee revenue.

- Other operating revenues increased $2.2 million or 50.1% due to an increase in the number of courses developed for and offered to the Saudi Electronic University.

- Operating costs were consistent with fiscal year 2020 due to no significant changes in operations.

- The number of non-teaching or support staff employees (full-time equivalent) decreased 11.8% from fiscal year 2020. The number of teaching staff (full-time equivalent) increased 1.3% during the fiscal year 2020.

- Nonoperating revenues increased $8.3 million or 61.5% due to unrealized gains on CSU – Global's investment holdings and revenue recognized relating to the Higher Education Emergency Relief Act.

- CSU – Global's change in net position before transfers of $42.3 million for fiscal year 2021 compared to $31.4 million for fiscal year 2020 was the result of increased nonoperating revenues due to a large increase in investment income.

- As a result of strong financial results over a period of years, CSU – Global was able to make a transfer of $26.5 million to the CSU System during fiscal year 2021. This transfer is required under the CSU System Reserves Policy, which requires that CSU – Global transfers net assets in excess of the institutional reserve to the CSU System. CSU – Global retains a sufficient institutional reserve to maintain a strong overall financial position.

Statement of Cash Flows

The statement of cash flows provides information about CSU – Global's operating results by reporting sources and uses of cash. The basis of presentation for this statement is the direct method, which illustrates cash flows from operating, non-capital financing, capital and related financing, and investing activities.

Economic Outlook for Colorado State University – Global Campus

Quality, convenience, flexibility and affordability are the growing demands of the educational consumer, particularly among the adult nontraditional students on which CSU – Global's mission is focused. The university's data-driven approach to all university activities, its introduction of market relevant courses and degree programs, its emphasis on student and graduate workplace success, and its dedication to student retention and degree completion are expected to continue to fuel the university's growth and reputation.

As CSU – Global continues to be an attractive university for nontraditional adult learners, the economic outlook is favorable in the upcoming fiscal year and beyond. CSU – Global will continue to fulfill its mission by improving processes, technology, analytics, and curriculum.

Requests for Information

The financial report is designed to provide a general overview of the Colorado State University-Global Campus's finances for all those with an interest in CSU – Global's finances and to demonstrate CSU – Global's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the attention of the Controller, Colorado State University – Global Campus, 585 Salida Way, Aurora, Colorado 80011.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021

	2022	2021*
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 16,885,965	$ 31,607,915
Student Accounts Receivable, Net	4,854,768	9,997,785
Grants and Other Accounts Receivable	1,656,642	1,956,926
Inventories	12,563	123,317
Short-Term Investments	10,378,248	10,404,395
Prepaid Expenses	657,996	895,685
Total Current Assets	34,446,182	54,986,023
CAPITAL ASSETS		
Construction in Progress	269,470	-
Equipment	321,288	457,112
Software	34,540	129,863
Right to Use Leased Building	2,359,396	2,739,944
Total Capital Assets, Net	2,984,694	3,326,919
LONG-TERM INVESTMENTS	48,496,105	56,661,262
Total Assets	85,926,981	114,974,204
DEFERRED OUTFLOWS OF RESOURCES		
Related to Pensions	164,767	354,811
Related to Other Post-Employment Benefits	5,694	5,120
Total Deferred Outflows of Resources	170,461	359,931
Total Assets and Deferred Outflows of Resources	$ 86,097,442	$ 115,334,135

*As restated

See accompanying Notes to Financial Statements.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
STATEMENTS OF NET POSITION
JUNE 30, 2022 AND 2021

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2022	2021*
CURRENT LIABILITIES		
Accounts Payable	$ 2,900,404	$ 1,548,924
Accrued Liabilities	2,637,644	4,674,111
Unearned Revenue	4,900,865	8,045,678
Deposits Held for Others	286,117	116,423
Leases Payable	266,046	418,133
Total Current Liabilities	10,991,076	14,803,269
NONCURRENT LIABILITIES		
Leases Payable	1,922,366	2,188,412
Compensated Absences Liabilities	764,012	713,519
Net Pension Liabilities	1,863,266	2,876,814
Net Other Post-Employment Benefits Liabilities	70,418	92,477
Total Noncurrent Liabilities	4,620,062	5,871,222
Total Liabilities	15,611,138	20,674,491
DEFERRED INFLOWS OF RESOURCES		
Related to Pensions	1,030,995	917,348
Related to Other Post-Employment Benefits	68,313	67,662
Total Deferred Inflows of Resources	1,099,308	985,010
Total Liabilities and Deferred Inflows of Resources	16,710,446	21,659,501
NET POSITION		
Net Investment in Capital Assets	796,282	720,374
Restricted for Nonexpendable Purposes	130,890	-
Unrestricted	68,459,824	92,954,260
Total Net Position	$ 69,386,996	$ 93,674,634

*As restated

See accompanying Notes to Financial Statements.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021*
OPERATING REVENUES		
Student Tuition and Fees, Net of		
Scholarship Allowances of $1,006,865 and $613,412	$ 75,144,325	$ 89,098,068
Other Operating Revenue	8,040,371	6,685,082
Total Operating Revenues	83,184,696	95,783,150
OPERATING EXPENSES		
Instruction	19,208,665	19,785,097
Academic Support	6,990,330	6,508,894
Student Services	26,791,516	28,769,129
Institutional Support	8,102,703	7,431,377
Operation and Maintenance of Plant	757	-
Scholarships and Fellowships	12,232,739	11,858,943
Depreciation and Amortization	611,695	749,893
Total Operating Expenses	73,938,405	75,103,333
Operating Income	9,246,291	20,679,817
NONOPERATING REVENUES (EXPENSES)		
Investment Income (Loss)	(8,015,695)	9,827,722
Interest Expense	(28,606)	(34,658)
Federal Nonoperating Grants and Contracts	12,232,739	11,858,943
Transfer from State of Colorado Related to Pensions	19,379	-
Total Nonoperating Revenues	4,207,817	21,652,007
Income Before Other Revenues (Expenses)	13,454,108	42,331,824
OTHER REVENUES (EXPENSES) OR TRANSFERS		
Payments (to)/from Governing Boards or Other Institutions	(37,741,746)	(26,456,943)
Total Other Revenues (Expenses) or Transfers	(37,741,746)	(26,456,943)
Change in Net Position	(24,287,638)	15,874,881
Net Position - Beginning of Year (Restated)	93,674,634	77,799,753
Increase (Decrease) in Net Position	(24,287,638)	15,874,881
NET POSITION - END OF YEAR	$ 69,386,996	$ 93,674,634

*As restated

See accompanying Notes to Financial Statements.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2022 AND 2021

	2022	2021*
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received		
Tuition and Fees	$ 77,312,223	$ 88,632,965
Agency Direct Lending Inflows	70,228,158	86,025,874
Other Operating Receipts	8,360,034	6,604,317
Cash Payments		
Scholarships Disbursed	(12,232,739)	(11,858,943)
Agency Direct Lending Outflows	(70,228,158)	(86,025,874)
Payments to Employees	(55,708,323)	(53,762,583)
Payments to Suppliers	(6,821,670)	(5,054,130)
Net Cash Provided by Operating Activities	10,909,525	24,561,626
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES		
Payments to Governing Boards or Other Institutions	(37,741,746)	(26,456,943)
Other Nonoperating Revenues	12,232,739	11,858,943
Net Cash Used by Noncapital Financing Activities	(25,509,007)	(14,598,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets and Related Debt	(269,471)	(3,142,094)
Interest Expense	(28,606)	(34,658)
Net Cash Used by Capital and Related Financing Activities	(298,077)	(3,176,752)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	-	(1,199,396)
Investment Earnings	175,609	875,531
Net Cash Provided (Used) by Investing Activities	175,609	(323,865)
Net Increase (Decrease) in Cash and Cash Equivalents	(14,721,950)	6,463,009
Cash and Cash Equivalents - Beginning of Year	31,607,915	25,144,906
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 16,885,965	$ 31,607,915

*As restated

See accompanying Notes to Financial Statements.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021*
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	$ 9,246,291	$ 20,679,817
Adjustments		
Depreciation/Amortization Expense	611,695	749,893
State Support for PERA pensions	19,379	-
Decrease (Increase) in Assets		
Receivables, Net	5,443,301	(3,660,458)
Inventories and Prepaids	348,443	(348,608)
Deferred Outflows Pensions	190,044	(139,918)
Deferred Outflows Other Postemployment Benefits	(574)	885
Increase (Decrease) in Liabilities		
Accounts Payable	1,351,480	119,310
Accrued Liabilities	(2,036,467)	2,759,703
Unearned Revenue	(3,144,813)	3,202,550
Deposits Held for Others	169,695	(87,960)
Compensated Absences Liabilities	50,493	(84,017)
Leases Payable	(418,133)	2,606,545
Net Pension Liabilities	(1,013,548)	(220,813)
Net Other Postemployment Benefit Liabilities	(22,059)	(23,177)
Deferred Inflows Pensions	113,647	(996,227)
Deferred Inflows Other Postemployment Benefits	651	4,101
Net Cash Provided by Operating Activities	$ 10,909,525	$ 24,561,626

*As restated

See accompanying Notes to Financial Statements.

NOTE 1 GOVERNANCE AND REPORTING ENTITY

Governance

Colorado State University-Global Campus (CSU – Global) is a Colorado public institution and one of three universities within the Colorado State University System (the CSU System). The CSU System is an institution of higher education of the State of Colorado. The Board of Governors (the Board) is the governing board of the CSU System. The Board consists of nine members appointed by the Governor of the State of Colorado and six advisory, nonvoting representatives from the institutions. In addition to these financial statements, CSU – Global's financial activity is also included in the basic financial statements of the CSU System.

Reporting Entity

The accompanying financial statements present the operations of CSU – Global. As a higher education institution of the State of Colorado, the income of CSU – Global is generally exempt from income taxes under Section 115 of the Internal Revenue Code (IRC). However, income unrelated to the exempt purpose of CSU – Global would be subject to tax under IRC Section 511(a)(2)(B). CSU – Global had no material unrelated business income for the years ended June 30, 2022 and 2021.

NOTE 2 BASIS OF PRESENTATION

The financial statements of CSU – Global, are intended to present the financial position, the changes in financial position and the cash flows of only that portion of the business-type activities of the CSU System that is attributable to the transactions of CSU – Global. They do not purport to, and do not, present fairly the financial position of the CSU System as of June 30, 2022 and 2021, and the changes in its financial position, or where applicable, its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America. CSU - Global applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

Any effort to reconcile this report with presentations made for other purposes, such as data submitted with the legislative budget request of CSU – Global, must take into consideration the differences in the basis of accounting and other requirements for the presentation of such information.

NOTE 3 MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For financial reporting purposes, CSU – Global is considered a special-purpose government entity engaged only in business-type activities. Accordingly, the basic financial statements of CSU – Global have been presented using the economic resources measurement focus and the accrual basis of accounting. Presentation is also in accordance with the State of Colorado Higher Education Accounting Standard No. 17. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred.

NOTE 3 MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents are defined as cash-on-hand, demand deposits, certificates of deposit with financial institutions, pooled cash with the State Treasurer, and all highly liquid investments with an original maturity when purchased of three months or less.

Student Receivables

Student receivables are carried at cost, less an allowance for doubtful accounts. Management believes that the allowance for doubtful accounts is adequate. Management uses available information to recognize losses on student receivables. Future additions to the allowance may be necessary based on changes in economic conditions and other factors.

Inventories

Inventories, consisting of school store merchandise, are carried at cost.

Capital Assets

Capital assets are stated at cost. Depreciation on furniture, fixtures, equipment and improvements is provided on a straight-line basis over the estimated useful lives as described in the table below:

Asset Class	Useful Life
Furniture and Other Equipment	5-7 Years
Computer Hardware and Software	3-5 Years
Leasehold Improvements	Shorter of Term of Lease or Useful Life

Amounts spent for repairs and maintenance are charged to expense as incurred. When assets are sold or retired, the associated cost and accumulated depreciation are removed. Any gain or loss from such disposition is recorded as a component of other non-operating revenues and expenses on the Statements of Revenues, Expenses and Changes in Net Position.

Deferred Outflows and Inflows of Resources

A deferred inflow of resources is an acquisition of net position by CSU – Global that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by CSU – Global that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

Compensated Absence Liabilities

The remaining balance of the compensated absence liabilities is recorded as a noncurrent liability on the statements of net position.

NOTE 3 MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Health Care Trust Fund (HCTF) administered by the Public Employees' Retirement Association of Colorado (PERA) and additions to/deductions from the HCTF's fiduciary net position have been determined on the same basis as they are reported by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

Net Position

Net positions of CSU – Global are classified as follows:

Investment in Capital Assets – This represents the total investment in capital assets, net of accumulated depreciation and outstanding debt obligations, if any, related to those capital assets.

Restricted Net Position – Nonexpendable: Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing future income, which may either be expended or added to principal. CSU – Global has $130,890 and $0 restricted non-expendable position as of June 30, 2022 and 2021.

Restricted Net Position – Expendable: Restricted expendable net positions in which CSU – Global is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties or debt agreements.

Unrestricted Net Position – Unrestricted net position represents resources derived from student tuition and fees, state fee for service reserves, and sales and services of educational activities. These resources are used for transactions relating to the educational and general operations of CSU – Global and may be used to meet current expenses for any purpose. Unrestricted net position may be designated by actions of the Board.

Classification of Revenues

CSU – Global has classified revenues as either operating or nonoperating according to the following criteria:

- Operating revenues consist of services related to teaching, including tuition and application fees from students (after reduction for bad debt and scholarship allowances provided with institutional funds).

- Operating expenses represent the full cost of providing the services and goods associated with operating revenues. These expenses are accrued when incurred and measurable and reported using functional classifications.

NOTE 3 MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Non-operating revenues and expenses consist primarily of investment income that is relied upon and budgeted for support of operating expenses. Also included in non-operating revenues are Federal Pell Grants.

Unearned Revenue

CSU – Global defers a portion of the tuition revenue for courses whose duration span two fiscal years. The unearned amount is based on the number of calendar days that occur after June 30.

Application of Restricted and Unrestricted Resources

This application is made on a case-by-case basis by management depending on overall program requirements and resources. Generally, management applies restricted resources then unrestricted resources when both restricted and unrestricted resources are available to pay an expense.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of 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.

Adoption of New Accounting Standards

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

CSU – Global adopted the requirements of the guidance effective July 1, 2021 and has applied the provisions of this standard to the beginning of the earliest comparative period presented.

NOTE 3 MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restatement of Beginning Net Position

Fiscal year 2020 beginning net position was increased by $133,399 for the implementation of GASB Statement No. 87 to record the impact of recording right-to-use lease assets and related lease liabilities.

	June 30, 2021
Beginning Net Position, as Previously Reported	$ 93,541,235
Restatement Amount	133,399
Beginning Net Position, Restated	$ 93,674,634

NOTE 4 CASH AND CASH EQUIVALENTS

CSU – Global deposits a portion of its cash with the Colorado State Treasurer as required by Colorado Revised Statutes (C.R.S.). The State Treasurer pools these deposits and invests them in securities authorized by Section 24-75-601.1, C.R.S. The State Treasury acts as a bank for all state agencies and institutions of higher education, with the exception of the University of Colorado. Moneys deposited in the Treasury are invested until the cash is needed. As of June 30, 2022, CSU – Global had cash on deposit with the State Treasurer of $2.6 million, which represented approximately 0.01% of the total $21.1 billion fair value of deposits in the State Treasurer's Pool (Pool). As of June 30, 2022, the Pool's resources included $47.2 million of cash on hand and $21.0 billion of investments.

On the basis of CSU – Global's participation in the Pool, CSU – Global reports as an increase or decrease in cash for its share of the Treasurer's unrealized gains and losses on the Pool's underlying investments. The State Treasurer does not invest any of the Pool's resources in any external investment pool, and there is no assignment of income related to participation in the Pool. The unrealized gains/losses included in income reflect only the change in fair value for the fiscal year.

Additional information on investments of the State Treasurer's Pool may be obtained in the state's Annual Comprehensive Financial Report for the year ended June 30, 2022.

Custodial credit risk for deposits is the risk that in the event of a bank failure, CSU – Global's deposits may not be returned to it. To manage custodial risk, deposits with financial institutions are made in accordance with the Colorado Public Deposit Protection Act (PDPA) of 1975. PDPA requires all eligible depositories holding public deposits to pledge designated eligible collateral having a market value equal to at least 102% of the deposits exceeding those amounts insured by federal depository insurance. Deposits collateralized under PDPA are considered to be collateralized with securities held by the pledging institutions in CSU – Global's name. Deposits held in money market funds are not PDPA eligible deposits.

NOTE 4 CASH AND CASH EQUIVALENTS (CONTINUED)

At June 30, 2022 and 2021, CSU – Global's book balance value of cash not on deposit with the State Treasurer was $14.3 million and $30.3 million, respectively. Cash includes petty cash or cash on hand and cash in bank accounts. Bank account balances per the bank at June 30, 2022 and 2021, are $14.4 million and $30.1 million, respectively. Of the June 30, 2022 deposits, $250,000 were covered by depository insurance and were not exposed to custodial credit risk, and the remaining $14.1 million were collateralized with securities held by the pledging institution's trust department. Of the June 30, 2021 deposits, $250,000 were covered by depository insurance and were not exposed to custodial credit risk, and the remaining $29.9 million were collateralized with securities held by the pledging institution's trust department.

NOTE 5 INVESTMENTS

In June 2008, House Bill 08-1002 authorized the CSU System to establish its own treasury function, withdrawing funds from the State Treasurer's Pool to invest its operating portfolio internally. In February 2015, the Board approved the formation of the Colorado State University System Treasury (CSU Treasury). The Board authorized the CSU System to execute investment transactions within parameters set out in the CSU System's Operation Portfolio Investment Policy Statement in May 2018.

As of June 30, 2022 CSU – Global had $58.9 million invested in the CSU Treasury. As of June 30, 2022 the CSU Treasury held $422.4 million in investments for the campuses in the CSU System, of which CSU – Global represented 14% of the fair value of investments held by the CSU Treasury. The CSU Treasury invests in mutual funds, money markets, and international equities.

As of June 30, 2021 CSU – Global had $67.1 million invested in the CSU Treasury. As of June 30, 2021 the CSU Treasury held $479.3 million in investments for the campuses in the CSU System, of which CSU – Global represented 14% of the fair value of investments held by the CSU Treasury. The CSU Treasury invests in mutual funds, money markets, and international equities.

Additional information on investments of the CSU Treasury may be obtained in the CSU System's Annual Financial Statements for the year ended June 30, 2022 and 2021.

NOTE 6 ACCOUNTS RECEIVABLE

Accounts receivable are shown net of allowances for doubtful accounts in the accompanying statements of net position.

	2022	2021
Student Accounts Receivable	$ 8,615,071	$ 13,691,344
Less Allowance for Doubtful Accounts	(3,760,303)	(3,693,559)
Student Accounts Receivable, Net	$ 4,854,768	$ 9,997,785
Grants and Other Accounts Receivable	$ 1,656,642	$ 1,956,926

NOTE 7 CAPITAL ASSETS

Capital assets as of June 30, 2022 and 2021, consist of the following:

	Balance June 30, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Non-depreciable/Non-amortizable Capital Assets					
Construction in Progress	$ -	$ 269,470	$ -	$ -	$ 269,470
Total Non-depreciable/Non-amortizable Capital Assets	-	269,470	-	-	269,470
Depreciable/Amortizable Capital Assets	.				
Furniture and Equipment	1,834,003	-	-	-	1,834,003
Software	1,140,274	-	-	-	1,140,274
Leasehold Improvements	199,875	-	-	-	199,875
RTU Leased Building	3,120,492		-	-	3,120,492
Total Depreciable/Amortizable Capital Assets	6,294,644	-	-	-	6,294,644
Less Accumulated Depreciation/Amortization					
Furniture and Equipment	(1,376,894)	(135,825)	-	-	(1,512,719)
Software	(1,010,408)	(95,322)	-	-	(1,105,730)
Leasehold Improvements	(199,875)	-	-	-	(199,875)
RTU Leased Building	(380,548)	(380,548)	-	-	(761,096)
Total Accumulated Depreciation/Amortization	(2,967,725)	(611,695)	-	-	(3,579,420)
Total Capital Assets, Net	$ 3,326,919	$ (342,225)	$ -	$ -	$ 2,984,694

	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Non-depreciable/Non-amortizable Capital Assets					
Construction in Progress	$ -	$ -	$ -	$ -	$ -
Total Non-depreciable/Non-amortizable Capital Assets	-	-	-	-	-
Depreciable/Amortizable Capital Assets					
Furniture and Equipment	1,812,401	21,602	-	-	1,834,003
Software	1,140,274	-	-	-	1,140,274
Leasehold Improvements	199,875	-	-	-	199,875
RTU Leased Building	3,120,492	-	-	-	3,120,492
Total Depreciable/Amortizable Capital Assets	6,273,042	21,602	-	-	6,294,644
Less Accumulated Depreciation/Amortization					
Furniture and Equipment	(1,208,263)	(168,631)	-	-	(1,376,894)
Software	(809,694)	(200,714)	-	-	(1,010,408)
Leasehold Improvements	(199,875)	-	-	-	(199,875)
RTU Leased Building	-	(380,548)	-	-	(380,548)
Total Accumulated Depreciation/Amortization	(2,217,832)	(749,893)	-	-	(2,967,725)
Total Capital Assets, Net	$ 4,055,210	$ (728,291)	$ -	$ -	$ 3,326,919

NOTE 8 ACCRUED LIABILITIES

The current accrued liabilities balances as of June 30, 2022 and 2021, were composed of:

	2022	2021
Accrued Payroll and Benefits	$ 692,923	$ 261,638
Other Accrued Liabilities	1,944,721	4,412,473
Total Current Accrued Liabilities	$ 2,637,644	$ 4,674,111

NOTE 9 LONG-TERM LIABILITIES

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due Within One Year
Accrued Compensated Absences	$ 713,519	$ 892,382	$ (841,889)	$ 764,012	$ 78,173
Leases	2,606,525	-	(418,113)	2,188,412	266,049
	$ 3,320,044	$ 892,382	$ (1,260,002)	$ 2,952,424	$ 344,222

Long-term liability activity for the fiscal year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amounts Due Within One Year
Accrued Compensated Absences	$ 797,536	$ 737,579	$ (821,596)	$ 713,519	$ 70,924
Leases	-	3,120,492	(513,967)	2,606,525	418,113
	$ 797,536	$ 3,858,071	$ (1,335,563)	$ 3,320,044	$ 489,037

NOTE 10 LEASES

CSU – Global leases a building under a long-term, non-cancelable lease agreement. The building lease expires in 2029. As of June 30, 2022 and 2021, the interest rate on right to use liabilities is 1.22% percent. CSU – Global's future minimum lease payments for obligations under leases for each of the five subsequent fiscal years and for five-year increments thereafter were as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	$ 266,049	$ 24,926	$ 290,975
2024	278,097	21,604	299,701
2025	290,559	18,133	308,692
2026	303,446	14,507	317,953
2027	316,770	10,721	327,491
2028-2032	733,491	9,447	742,938
Total Minimum Future Lease Payments	$ 2,188,412	$ 99,338	$ 2,287,750

NOTE 11 NET POSITION

CSU – Global is subject to multiple constraints, including those imposed by Colorado Constitutional and related legislative actions and State of Colorado statutes.

Student loan money is expended according to external restrictions imposed by the program funding sources. The federal programs are administered according to Department of Education Blue Book guidelines.

CSU – Global periodically receives nongovernmental grants or monies restricted for certain scholarships or programs. Amounts received with these restrictions are reflected in restricted net position.

Although other amounts reflected in unrestricted net position are not externally restricted, they may be internally designated by CSU – Global's Board or executive management for strategic and mission-related purposes. CSU – Global is an institution in the Colorado State University System, an enterprise fund under Colorado statute. Enterprise funds are subject to certain spending limits as defined by statute.

NOTE 12 EMPLOYMENT BENEFITS

CSU – Global employees who are eligible for retirement benefits participate in either the State Division Trust Fund (SDTF), a defined benefit pension fund, administered by the Public Employees' Retirement Association Defined Benefit Plan (PERA) or an Optional Retirement Plan (ORP), subject to eligibility criteria defined by PERA and CSU – Global for each separate governing entity.

CSU – Global's total payroll for the fiscal years ended June 30, 2022 and 2021 was approximately $23.6 million and $24.4 million, respectively. Payroll for employees covered by the SDTF plan and the optional defined contribution plan was approximately $.7 million and $1.0 million for the fiscal years ended June 30, 2022 and 2021, respectively. Remaining employees are not eligible for participation in any of CSU – Global’s plans.

NOTE 13 DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions

CSU – Global participates in the State Division Trust Fund (SDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. 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.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan

Plan Description

Eligible employees of CSU – Global are provided with pensions through the SDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the C.R.S., administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5% and then multiplied by years of service credit

- The value of the retiring employee's member contribution account plus a 100% match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100% of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50% or 100% on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007, will receive the maximum annual increase (AI) or AI cap of 1.00% unless adjusted by the AAP. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of 1.00 percent AI cap or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10 percent PERA's Annual Increase Reserve (AIR) for the SDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. For State Troopers whose disability is caused by an on-the-job injury, the five-year service requirement is waived and they are immediately eligible to apply for disability benefits. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions provisions as of June 30, 2022

Eligible employees of CSU – Global and the State are required to contribute to the SDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401*, et seq*. and § 24-51-413. Employee contribution rates for the period of July 1, 2021 through June 30, 2022 are summarized in the table below:

	July 1, 2021 through December 31, 2021	January 1, 2022 through June 30, 2022
Employee Contribution (all employees other than State Troopers)	10.50%	10.50%

Contribution rates for the SDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

The employer contribution requirements for all employees other than State Troopers are summarized in the table below:

	Fiscal Year 2021			Fiscal Year 2022
	CY20	CY21		CY22
	7/1 to 12/31	1/1 to 6/30	7/1 to 12/31	1/1 to 6/30
Employer Contribution Rate[1]	10.90 %	10.90 %	10.90%	10.90%
Amount of Employer Contribution Apportioned to the Health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f)[1]	(1.02)%	(1.02)%	(1.02)%	(1.02)%
Amount Apportioned to the SDTF[1]	9.88 %	9.88 %	9.88 %	9.88 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411[1]	5.00 %	5.00 %	5.00 %	5.00 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411[1]	5.00 %	5.00 %	5.00 %	5.00 %
Defined Contribution Supplement as specified in C. R. S. § 24-51-415	N/A	0.05 %	0.05 %	0.10 %
Total Employer Contribution Rate to the SDTF[1]	19.88 %	19.93 %	19.93 %	19.98 %

[1] Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the SDTF in the period in which the compensation becomes payable to the member and CSU – Global is statutorily committed to pay the contributions to the SDTF. Employer contributions recognized by the SDTF from CSU – Global was $164,285 and $184,430 for the fiscal years ended June 30, 2022 and 2021, respectively.

For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to SDTF and is considered to meet the definition of a special funding situation. As specified in C.R.S. § 24-51-414, the State is required to contribute $225 million (actual dollards) direct distribution each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SDTF to the annual payroll of the SDTF, School Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. In addition to the $225 million (actual dollars) direct distribution due July 1, 2022, House Bill (HB) 22-1029, instructs the State treasurer to issue a warrant to PERA in the amount of $380 million (actual dollars), upon enactment, with reductions to future direct distributions scheduled to occur July 1, 2023, and July 1, 2024.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

The net pension liability for the SDTF was measured as of December 31, 2021, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll-forward the TPL to December 31, 2021. CSU – Global's proportion of the net pension liability was based on CSU – Global's contributions to the SDTF for the calendar year 2021 relative to the total contributions of participating employers and the State as a nonemployer contributing entity.

At June 30, 2022 and 2021, CSU – Global reported a liability of $1,863,266 and $2,876,814 respectively, for its proportionate share of the net pension liability.

At December 31, 2021, CSU – Global's proportion was 0.0252644933%, which was a decrease of 0.0050663070% from its proportion of 0.0303308003% measured as of December 31, 2020.

For the years ended June 30, 2022 and 2021, CSU – Global's recognized pension expense was $624,134 and $1,250,920 respectively. For the years ended June 30, 2022 and 2021 CSU – Global recognized a transfer from the state general fund of $19,379 and $-0- respectively. These amounts were included in pension expense. At June 30, 2022, CSU – Global's reported deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 12,678	$ 2,592
Changes of Assumptions or Other Inputs	66,432	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	641,200
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	-	387,203
Contributions Subsequent to the Measurement Date	85,657	-
Total	$ 164,767	$ 1,030,995

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

At June 30, 2021, CSU – Global's reported deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 71,094	$ -
Changes of Assumptions or Other Inputs	195,341	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	588,807
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	-	328,541
Contributions Subsequent to the Measurement Date	88,376	
Total	$ 354,811	$ 917,348

$85,657 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2023	$ (343,205)
2024	(376,637)
2025	(154,452)
2026	(77,591)
2027	-
Thereafter	-
	$ (951,885)

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.30% - 10.90%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007 and DPS Benefit Structure (compounded annually)	1.00%
PERA Benefit Structure hired after December 31, 2006[1]	Financed by the AIR

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

The TPL as of December 31, 2021, includes the anticipated adjustments to contribution rates and the AI cap, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

The mortality tables described below are generational mortality tables developed on a benefit-weighted basis.

Pre-retirement mortality assumptions for members other than State Troopers were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for members other than State Troopers were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94 percent of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87 percent of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the 2020 experience analysis for the periods January 1, 2016 through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long- term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation, and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives [1]	6.00	4.70
Total	100.00	

[1] The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount Rate

The discount rate used to measure the TPL was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200, required adjustments resulting from the 2018 AAP assessment, and the additional 0.5 percent resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they reach zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of $225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- The projected benefit payments reflect the lowered AI cap, from 1.25% to 1.00%, resulting from the 2020 AAP assessment, statutorily recognized July 1, 2021, and effective July 1, 2022.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%. There was no change in the discount rate from the prior measurement date.

NOTE 13 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of CSU – Global's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

For the Year Ended June 30, 2022	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Proportionate Share of the Net Pension Liability	$ (2,628,070)	$ (1,863,266)	$ (1,220,313)

For the Year Ended June 30, 2021	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Proportionate Share of the Net Pension Liability	$ (3,806,109)	$ (2,876,814)	$ (2,096,541)

Pension Plan Fiduciary Net Position

Detailed information about the SDTF's fiduciary net position is available in PERA's Annual Report, which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Summary of Significant Accounting Policies

OPEB

CSU – Global participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

General Information about the OPEB Plan

Plan Description

Eligible employees of CSU – Global are provided with OPEB through the Health Care Trust Fund (HCTF) - a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four divisions (State Division, School Division, Local Government Division and Judicial Division Trust Funds), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 *et seq*. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

PERA Benefit Structure

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is $115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions

Pursuant to Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and CSU – Global is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from CSU – Global were $7,918 for the year ended June 30, 2022 and $8,703 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, CSU – Global reported a liability of $70,418 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2021. CSU – Global's proportion of the net OPEB liability was based on CSU – Global's contributions to the HCTF for the calendar year 2021 relative to the total contributions of participating employers to the HCTF.

At December 31, 2021, CSU – Global's proportion was 0.0081662567%, which was a decrease of 0.0015658798% from its proportion measured as of December 31, 2020.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

For the years ended June 30, 2022 and 2021, CSU – Global recognized OPEB expense of ($10,275) and ($21,515) respectively. At June 30, 2022, CSU – Global reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 107	$ 16,697
Changes of Assumptions or other Inputs	1,458	$ 3,820
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	4,359
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	-	43,437
Contributions Subsequent to the Measurement Date	4,129	-
Total	$ 5,694	$ 68,313

At June 30, 2021, CSU – Global's share of deferred outflows of resources and deferred inflows of resources related to OPEB were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 245	$ 20,331
Changes of Assumptions or other Inputs	691	$ 5,752
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	3,779
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	-	37,800
Contributions Subsequent to the Measurement Date	4,184	-
Total	$ 5,120	$ 67,662

$4,129 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Amount
2023	$ (20,242)
2024	(19,371)
2025	(14,902)
2026	(7,702)
2027	(3,873)
Thereafter	(658)
Total	$ (66,748)

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.30%
Real Wage Growth	0.70%
Wage Inflation	3.00%
Salary Increases, Including Wage Inflation	3.50 % in the aggregate
Members other than State Troopers:	
State Division	3.3% - 10.90%
School Division	3.40% - 11.00%
Local Government Division	3.20% - 11.30%
Judicial Division	2.80% - 5.30%
State Troopers:	
State Division	3.20% - 12.40%
School Division	N/A
Local Government Division	3.20% - 12.40%
Judicial Division	N/A
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	4.50% in 2021, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.75% in 2021, gradually increasing to 4.50% in 2029

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing costs between employers of each fund to that point.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A in the December 31, 2020, valuation, the following monthly costs/premiums are assumed for 2021 for the PERA Benefit Structure:

	Initial Costs for Members without M			
Medicare Plan	Costs for Members Without Medicare Part A		Premiums for Members Without Medicare Part A	
Medicare Advantage/Self-Insured Prescription	$	633	$	230
Kaiser Permanente Medicare Advantage HMO		596		199

The 2021 Medicare Part A premium is $471 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2020, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	4.50%	3.75%
2022	6.00%	3.75%
2023	5.80%	4.00%
2024	5.60%	4.00%
2025	5.40%	4.00%
2026	5.10%	4.25%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Mortality assumptions used in the December 31, 2020 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions (members other than State Troopers) were based on the PubG-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for State Troopers were based upon the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- **Males:** 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- **Females:** 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the Judicial Division were based upon the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- **Males:** 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- **Females:** 105 percent of the rates for all ages, with generational projection using scale MP-2019.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Disabled mortality assumptions for members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The following health care costs assumptions were updated and used in the roll-forward calculation for the Trust Fund:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2021 plan year.

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by PERA Board's actuary, as discussed above.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate of Return
Global Equity	54.00 %	5.60 %
Fixed Income	23.00	1.30
Private Equity	8.50	7.10
Real Estate	8.50	4.40
Alternatives [1]	6.00	4.70
Total	100.00	

[1] The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

Note: In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Sensitivity of CSU – Global's Proportionate share of the net OPEB liability to changes in the healthcare cost trend rates

The following presents CSU – Global's proportionate share of the net OPEB liability, as well as what CSU – Global's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.75%	3.75%	4.75%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	$ 68,396	$ 70,418	$ 72,761

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2021, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

NOTE 14 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (CONTINUED)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

Sensitivity of CSU – Global's proportionate share of the net OPEB liability to changes in the discount rate

The following presents CSU – Global's proportionate share of the net OPEB liability, as well as what CSU – Global's proportionate share of the net OPEB liability calculated using the discount rate of 7.25% would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

For the Year Ended June 30, 2022	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 81,783	$ 70,418	$ 60,710

For the Year Ended June 30, 2021	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net OPEB Liability	$ 105,934	$ 92,477	$ 80,979

OPEB Plan Fiduciary Net Position

Detailed information about the HCTF plan's fiduciary net position is available in the separately issued Annual Report issued by PERA. That report can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 15 UNIVERSITY OPTIONAL RETIREMENT PLAN -THE DEFINED CONTRIBUTION PLAN/OR RETIREMENT (DCP)

Under the University's optional retirement plan, all Academic Faculty and Administrative Professionals are required as a condition of employment under Colorado law to participate in either the University's Defined Contribution Plan (DCP) for Retirement or, in very limited cases, in the PERA Defined Benefit plan (as eligibility permits). DCP participants may select from two investment companies as follows:

1. Teachers Insurance and Annuity Association (TIAA)
2. Variable Annuity Life Insurance Corporation (VALIC)

The defined contribution retirement plans are established pursuant to state statute (24-54.5-101 to 24- 54.5-107 CRS). As a university of the Board of Governors for the Colorado State University System, CSU – Global employees are eligible to participate in CSU – Global's retirement plan. The Defined Contribution Retirement Plan is a qualified plan under Section 401(a) of the IRC. CSU – Global participants contribute the required 8% of eligible salary. CSU – Global provides a matching contribution of 11.1%, as required, of eligible salary for all nonstudent employees, including those employees at less than half-time and nonstudent temporary, hourly employees.

Both employee and employer contributions are vested immediately. Investments are participant-directed within the funds available through the authorized investment companies. CSU – Global's aggregate contribution to the above two vendors was equal to 11.1% and 11.1% of covered payroll or approximately $2.5 million and $2.6 million for the fiscal years ended June 30, 2022 and 2021, respectively. The employee aggregate contribution to the above two vendors was equal to 8.0% of covered payroll or approximately $1.8 million and $1.9 million for the fiscal years ended June 30, 2022 and 2021, respectively.

Health and Life Insurance Programs

CSU – Global's contribution to the various health insurance programs was approximately $1.8 million and $1.6 million for the fiscal years ended June 30, 2022 and 2021, respectively.

NOTE 16 COMPENSATED ABSENCES LIABILITY

CSU – Global employees may accrue annual and sick leave based on the length of service and subject to certain limitations regarding the amount that will be paid upon termination. The estimated liability of compensated absences for which employees are vested as of June 30, 2022 and 2021 was $764 thousand and $714 thousand, respectively.

Overall, net expenses increased by $50 thousand for the fiscal year ended June 30, 2022 and decreased by $84 thousand for the fiscal year ended June 30, 2021, for the estimated compensated absences liabilities.

NOTE 17 DIRECT STUDENT FINANCIAL AID REPORTING

During the fiscal years ended June 30, 2022 and 2021, CSU – Global participated in the federal government's Direct Loan Program. This program provides loans from the federal government to qualifying students and their families for educational purposes. While CSU – Global helps students obtain these loans, the University is not a party to the loans and is not responsible for collection of monies owed or for defaults by borrowers.

The gross amounts of Direct Loans disbursed during the fiscal years ended June 30, 2022 and 2021 were $62.0 million and $95.2 million, respectively.

NOTE 18 SCHOLARSHIP ALLOWANCE

Tuition and fees revenues and the related scholarship and bad debt allowances for the years ended June 30, 2022 and 2021 were as follows:

	2022	2021
Gross Revenue	$ 76,114,457	$ 91,390,863
Bad Debt Allowance (Net Recoveries)	(36,733)	1,679,383
Scholarship Allowances		
Institutional	1,006,865	613,412
Total Allowances	(970,132)	(2,292,795)
Net Revenue	$ 75,144,325	$ 89,098,068

NOTE 19 RELATED-PARTY TRANSACTIONS

From time to time CSU – Global makes distributions of excess net position to the CSU System based on a board approved calculation. For the fiscal years ended June 30, 2022 and 2021 CSU – Global made distributions to the CSU System of $37.7 million and $26.5 million respectively.

NOTE 20 RISK MANAGEMENT

CSU – Global is exposed to various risks of loss related to torts; theft of damage to and destruction of assets or information; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. Insurance coverage for claims arising from such matters including those related to workers' compensation and natural disasters is purchased from the State of Colorado's Risk Management program. Settled claims have not exceeded this coverage in the last three years. Claims are administered by the Colorado Division of Risk Management.

NOTE 21 SUBSEQUENT EVENTS

Subsequent events have been evaluated through December 9, 2022, which is the date the financial statements were available to be issued. Management determined there were no subsequent events that required disclosure.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS
JUNE 30, 2022

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Proportion of the Net Pension Liability	0.0252644933%	0.0303308003%	0.0319217834%	0.0364856809%	0.0409213750%	0.0415209442%	0.0376269691%	0.0294447265%	0.0015909831%
Proportionate Share Share of the Net Pension Liability	$ 1,863,266	$2,876,814	$3,097,627	$4,151,586	$8,191,633	$7,626,621	$3,962,509	$2,769,722	$2,221,821
Covered Payroll	$ 893,843	$1,085,812	$1,086,692	$1,186,944	$1,131,510	$1,161,000	$1,019,873	$792,808	$642,148
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	208.5%	264.9%	285.1%	350.1%	724.0%	656.9%	388.5%	349.4%	346.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.1%	65.3%	62.2%	55.1%	43.2%	42.6%	56.1%	59.8%	61.1%

Amounts presented in schedule are as of December 31 for each year.

Notes to Required Supplementary Information (Net Pension Liability) – Fiscal Year 2022
Changes in benefit terms and actuarial assumptions

Changes in assumptions or other input effective for the December 31, 2021 measurement period are as follows:

- The assumption used to value the automatic increase cap benefit provision was changed from 1.25 percent to 1.00 percent

Changes in assumptions or other inputs effective for the December 31, 2020, measurement period are as follows:

- The price inflation assumption was lowered from 2.40 percent to 2.30 percent.
- The wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- The real rate of investment return assumption was increased to 4.95 percent per year, net of investment expenses from 4.85 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State and Local Government Divisions changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The post-retirement non-disabled mortality assumption for the State and Local Government Divisions was changed to the PubG-2010 Healthy Retiree Table, adjusted as follows:
- Males: 94.00 percent of the rates prior to age 80 and 90.00 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87.00 percent of the rates prior to age 80 and 107.00 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- The disabled mortality assumption for the Division Trust Funds was changed to the PubNS-2010 Disabled Retiree Table using 99.00 percent of the rates for all ages with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis.

Change in assumptions or other inputs effective for the December 31, 2019 measurement period are as follow:

- The assumption used to value the annual increase (AI) cap benefit provision was changed from 1.50% to 1.25%.

Changes in assumptions or other inputs effective for the December 31, 2018 measurement period are as follows:

- The assumed investment rate of return of 7.25% was used as the discount rate, rather than using the blended rate of 4.72%

Changes in assumptions or other inputs effective for the December 31, 2017 measurement period are as follows:

- The discount rate was lowered from 5.26% to 4.72%.

Changes in assumptions or other inputs effective for the December 31, 2016 measurement period are as follows:

- The investment return assumption was lowered from 7.50% to 7.25%.
- The price inflation assumption was lowered from 2.80% to 2.40%.
- The real rate of investment return assumption increased from 4.70% per year, net of investment expenses, to 4.85% per year, net of investment expenses.
- The wage inflation assumption was lowered from 3.90% to 3.50%.
- The mortality tables were changed from RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection scale of Scale AA to 2020 to RP-2014 White Collar Employee Mortality for active employees, RP2014 Healthy Annuitant Mortality tables projected to 2020 using the MP-2015 projection scale for retirees, or RP-2014 Disabled Retiree Mortality Table for disabled retirees.
- The discount rate was lowered from 7.50% to 5.26%.

There were no changes in terms or assumptions for the December 31, 2015 measurement period for pension compared to the prior year.

There were no changes in terms or assumptions for the December 31, 2014 measurement period for pension compared to the prior year.

Changes in assumptions or other inputs effective for the December 31, 2013 measurement period are as follows:

- The investment return assumption was lowered from 8.00% to 7.50%
- The price inflation assumption was lowered from 3.50% to 2.80%
- The wage inflation assumption was lowered from 4.25% to 3.90%

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS
JUNE 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contributions	$ 183,664	$ 184,430	$ 224,706	$ 241,346	$ 241,147	$ 215,649	$ 189,279	$ 169,316	$ 101,758
Contributions in Relation to the Contractually Required Contribution	$ (183,664)	(184,430)	(224,706)	(241,346)	(241,147)	(215,649)	(189,279)	(169,316)	(101,758)
Contibution Deficiency/Excess	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (169,316)	$ -
Covered Payroll	$ 919,139	$ 925,389	$ 1,159,473	$ 1,092,938	$ 1,260,570	$ 1,161,000	$ 1,005,669	$ 941,312	$ 597,298
Contributions as a Percentage of Covered Payroll	19.98%	19.93%	19.38%	22.08%	19.13%	18.57%	18.82%	17.99%	17.04%

Notes to Schedule:

The Amounts presented for each fiscal year were determined as of June 30.

This schedule is presented to illustrate the requirement to show information for 10 years. Since years prior to 2014 were not reported in accordance with the current GASB standards, the information is not available.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY
LAST TEN FISCAL YEARS
JUNE 30, 2022

	2021	2020	2019	2018	2017	2016
Proportion of the Net OPEB Liability	0.0081662567%	0.0097321365%	0.0102895364%	0.0120652056%	0.0139374937%	0.0146841846%
Proportionate Share of the Net OPEB Liability	$ 70,418	$ 92,477	$ 115,654	$ 167,735	$ 181,132	$ 190,385
Covered Payroll	$ 781,661	$ 899,976	$ 925,193	$ 1,086,692	$ 1,186,944	$ 1,161,000
Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	9.0%	10.3%	12.5%	15.4%	15.3%	16.4%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.4%	37.8%	24.5%	17.0%	17.5%	16.7%

Amounts presented in schedule are as of December 31 for each year.

Notes to Required Supplementary Information (Other Post-Employment Benefits) – Fiscal Year 2022 Changes in benefit terms and actuarial assumptions

There were no changes in assumptions or other inputs effective for the December 31, 2021 measurmeent period for OPEB.

The following changes in assumptions or other inputs were effective for the December 31, 2020 measurement period for OPEB compared to the prior year:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year, and the wage inflation assumption was lowered from 3.50 percent to 3.00 percent.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Salary scale assumptions were revised to align with the revised economic assumptions and to more closely reflect actual experience
- Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.
- The pre-retirement mortality assumption for the State Division (members other than State Troopers) was changed to the PubG-2010 Employee Table with generational projection using scale MP-2019.
- The pre-retirement mortality assumption for the Judicial Division was changed to the PubG-2010(A) Above Median Employee Table with generational projection using scale MP-2019.

- The post-retirement non-disabled mortality assumption for the State Division (Members other than State Troopers) was changed to the PubG-2010 Health Retiree Table, adjusted as follows:

  - Males: 94 percent of the rates prior to age 80 and 90 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

  - Females: 87 percent of the rates prior to age 80 and 107 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

- The post-retirement non-disabled mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Healthy Retiree Table, with generational projection using scale MP-2019.

- The post-retirement non-disabled mortality assumption for the Judicial Division was changed to the unadjusted PubG-2010(A) Above-Median Healthy Retiree Table with generational projection using scale MP-2019. The post-retirement non-disability beneficiary mortality assumption for the Division Trust Funds was changed to the Pub-2010 Contingent Survivor Table, adjusted as follows:

    - Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.

    - Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

- The disabled mortality assumption for the Division Trust Funds (Members other than State Troopers) was changed to the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

- The disability mortality assumption for State Troopers was changed to the unadjusted PubS-2010 Disabled Retiree Table with generational projection using scale MP-2019.
- The mortality tables described above are generational mortality tables on a benefit-weighted basis

There were no changes in assumptions or other inputs effective for the December 31, 2019 measurement period for OPEB compared to the prior year.

There were no changes in assumptions or other inputs effective for the December 31, 2018 measurement period for OPEB compared to the prior year.

There were no changes in assumptions or other inputs effective for the December 31, 2017 measurement period for OPEB.

COLORADO STATE UNIVERSITY – GLOBAL CAMPUS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS AND RELATED RATIOS
LAST TEN FISCAL YEARS
JUNE 30, 2022

	2022	2021	2020	2019	2018	2017
Contractually Required Contributions	$ 7,917	$ 8,703	$ 8,852	$ 11,148	$ 12,858	$ 11,842
Contributions in Relation to the Contractually Required Contribution	$ (7,917)	(8,703)	(8,852)	(11,148)	(12,858)	(11,842)
Contribution Deficiency/Excess	$ -	$ -	$ -	$ -	$ -	$ -
Covered Payroll	$ 776,246	$ 853,270	$ 867,843	$ 1,092,938	$ 1,260,570	$ 1,161,000
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%	1.02%	1.02%

Notes to Schedule:

The Amounts presented for each fiscal year were determined as of June 30.

This schedule is presented to illustrate the requirement to show information for 10 years. Since years prior to 2017 were not reported in accordance with the current GASB standards, the information is not available.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Legislative Audit Committee & Board of Governors
Colorado State University – Global Campus
Greenwood Village, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Colorado State University – Global Campus (CSU – Global), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise CSU – Global's basic financial statements, and have issued our report thereon dated December 9, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered CSU – Global's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CSU – Global's internal control. Accordingly, we do not express an opinion on the effectiveness of CSU – Global's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether CSU – Global's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Denver, Colorado
December 9, 2022

REQUIRED COMMUNICATIONS TO THE LEGISLATIVE AUDIT COMMITTEE

Legislative Audit Committee
Colorado State University – Global Campus

We have audited the financial statements of the business-type activities of Colorado State University – Global Campus (the University) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 9, 2022. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the University are described in Note 3 to the financial statements.

During the fiscal year ended June 30, 2022, the University adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*.

We noted no transactions entered into by the University during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements and the University management's description of the processes utilized in forming these were:

- Management's estimate of other postemployment benefits is based on actuarial assumptions and involves no judgement on management's part. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the allowance for doubtful accounts is based on a mix of percentage of sales/tuition and a percentage of receivables outstanding. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the net pension liability is based on actuarial assumptions and involves no judgement on management's part. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the useful lives of capital assets is based on the University's fixed asset policy. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

We evaluated the key factors and assumptions used to develop the above estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatement

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatement

The attached schedule contained on page 59 summarizes a misstatement detected as a result of audit procedures that was corrected by management.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested and received certain representations from management that are included in the management representation letter dated December 9, 2022.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to CSU - Global's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

This communication is intended solely for the information and use of the State of Colorado Legislative Audit Committee, the Office of the State Auditor, the Board of Governors and management of the University and is not intended to be, and should not be, used by anyone other than these specified parties. However, upon release by the Legislative Audit Committee, this report is a public document.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Denver, Colorado
December 9, 2022

CORRECTED MISSTATEMENTS

AJE #1	Debits	Credits
To correct year-end balances recorded within prepaid expenses and accounts payable		
Accounts Payable	$ 204,688	$ -
Prepaid Expenses	-	204,688
Total	$ 204,688	$ 204,688