WRIGHT STATE UNIVERSITY

GREENE COUNTY, OHIO

SINGLE AUDIT

FOR THE YEARS ENDED

JUNE 30, 2021 AND 2020

OHIO AUDITOR OF STATE
KEITH FABER

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Columbus, Ohio 43215
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Board of Trustees
Wright State University
3640 Col. Glenn Highway
Dayton, Ohio 45435

We have reviewed the *Independent Auditor's Report* of the Wright State University, Greene County, prepared by BKD, LLP, for the audit period July 1, 2020 through June 30, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Wright State University is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

December 17, 2021

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WRIGHT STATE UNIVERSITY

A Component Unit of the State of Ohio
ANNUAL REPORT AND SINGLE AUDIT REPORTS FOR FEDERAL AWARDS
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BKD
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Independent Auditor's Report

Board of Trustees
Wright State University
Dayton, Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Wright State University (University), collectively a component unit of the State of Ohio, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the University as of June 30, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 audits 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 Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles*, *and Audit Requirements for Federal Awards*, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated October 14, 2021, on our consideration of the University'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 the University'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 the University's internal control over financial reporting and compliance.

BKD, LLP

Cincinnati, Ohio
October 14, 2021

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The following discussion and analysis provides an overview of the financial position and activities of Wright State University (University) as of and for the years ended June 30, 2021 and 2020 with selected comparative information for the year ended June 30, 2019. The discussion contains highly summarized information and should be read in conjunction with the accompanying financial statements and footnotes, which follow this section.

Using the Annual Report

This annual report includes three financial statements: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. These financial statements were prepared by management in accordance with principles established by the Governmental Accounting Standards Board (GASB). In conformance with those principles, the Wright State University Foundation (the Foundation) has been determined to be a component unit of the University. The statements and selected notes for the Foundation are discretely (separately) presented with the University's financial statements. Management's Discussion and Analysis relates only to the University and not to the Foundation unless specifically noted.

> The Statement of Net Position presents the financial position of the University as of June 30th by reporting all assets, liabilities, deferred inflows of resources and deferred outflows of resources of the University. The University's net position is the residual after subtracting liabilities and deferred inflows of resources from the sum of assets and deferred outflows of resources. Net position is one indicator of the overall financial condition of the University.
>
> The Statement of Revenues, Expenses and Changes in Net Position presents the total revenues earned and expenses incurred by the University during the fiscal year, along with the increase or decrease in net position. This statement depicts the University's revenue streams, along with the categories of expenses supported by that revenue. Changes in net position are an indication of the change in the University's overall financial condition.
>
> The Statement of Cash Flows presents detailed information about cash inflows and cash outflows during the fiscal year. The statement reports the major sources and uses of cash and is useful in the assessment of the University's ability to meet cash obligations when due.

Financial Highlights for Fiscal Year Ended June 30, 2021

- In response to the COVID-19 emergency, the State of Ohio issued shelter-in-place orders and other measures that limited business operations and public gatherings. As a result, the University moved the majority of instruction to a remote delivery model in March 2020, which expanded to some hybrid delivery in 2021. These actions resulted in a decline in revenue from the University's auxiliary operations including housing, food, and parking services. In addition, certain athletic and entertainment events were either cancelled or postponed. Subsequent to year-end in August 2021, the University returned to in-person course deliveries.
- The University received awards of $17.4 million and $28.7 million associated with subsequent Higher Education Emergency Relief fund (HEERF II and HEERF III) awards. Conditions of the HEERF II award require the student aid portion equal the dollar amount of student aid contractually allocated under an institution's CARES Act funding and represents the minimum amount an institution must use for financial aid grants to students. Conditions of the HEERF III award mirror the conditions of HEERF I requiring 50% to be used for emergency financial aid grants to students and 50% to be used to support any institutional costs associated with significant changes to the delivery of instruction due to COVID-19. During the year ended June 30, 2021, the University awarded $5 million and $.7 from HEERF II and HEERF III for financial aid grants to students. The University was reimbursed $12.3 million and

$.02 million from HEERF II and HEERF III, of which $8.3 million related to revenue replacement, $3.2 million related to state appropriation replacement, and the remainder was for COVID-related expenditures. The University awarded $.6 million of HEERF I to students as emergency financial aid grants and was reimbursed $3.3 million for COVID-related expenditures. The University also received $8.3 million of Coronavirus Relief Funds (CRF) from the Ohio Department of Higher Education, awarded by the U.S. Department of the Treasury. Revenue associated with HEERF I, II, III and CRF is reflected in nonoperating revenue federal grants in the accompanying Statements of Revenues, Expenses, and Changes in Net Position.

- Overall operating revenues declined 14.5% or $27.3 million in 2021 vs. 2020. Tuition and fee revenue (net) declined $9.6 million, primarily the result of a decline in student headcount of 1,508 in fall 2020 from fall 2019 (13,742 to 12,234).
- Operating expenses decreased $56 million in 2021 over 2020, which is attributable to $27 million reduction resulting from cost cutting measures across the University and a $29 million decrease related to pension and OPEB adjustments.
- The University offered two voluntary separation programs, the Faculty Voluntary Separation Plan and the Enhanced Appendix J Offer, for AAUP-WSU Bargaining Unit Faculty Members and administrators with a faculty appointment in select colleges. The two plans resulted in 88 voluntary separations.

Financial Highlights for Fiscal Year Ended June 30, 2020

- In response to the COVID-19 emergency, the State of Ohio issued shelter-in-place orders and other measures that limited business operations and public gatherings. As a result, the University moved instruction to a remote delivery model in March 2020. These actions resulted in a decline in revenue from the University's auxiliary operations including housing, food, and parking services. In addition, certain athletic and entertainment events were either cancelled or postponed.
- With passage of the Coronavirus Aid, Relief, and Economic Security Act (CARES) and Congressional appropriations toward the Higher Education Emergency Relief Fund (HEERF), the University received grant funds of $10.1 million. Conditions of the award require 50% to be used for emergency financial aid grants to students and 50% to be used to support any institutional costs associated with significant changes to the delivery of instruction due to COVID-19. During fiscal year 2020, the University awarded $4.5 million to students as emergency financial aid grants and was reimbursed $1.7 million for housing, meal plan and parking refunds associated with the Spring semester. The funding is reflected in nonoperating revenue federal grants in the accompanying Statement of Revenues, Expenses, and Changes in Net Position.
- The University's net position improved $16.4 million during fiscal year 2020. Of that amount, $12.3 million is attributable to improvements in operations and $4.1 million is attributable to the effects of GASB 68 & 75, pension and other postemployment benefits (OPEB).
- Overall operating revenues declined 9.8% or $20.4 million in 2020 vs. 2019. Tuition and fee revenue (net) declined $9.3 million, primarily the result of a decline in student headcount of 1,816 in fall 2019 from fall 2018 (15,558 to 13,742).
- Operating expenses increased $1.8 million in 2020 over 2019, of which an $8.0 million reduction resulting from cost cutting measures across the University was more than offset by a $9.8 million increase attributable to pension and OPEB adjustments. This resulted in a decrease in overall performance of $11.2 million in 2020 vs. 2019.
- The University developed a voluntary, enhanced retirement option for retirement-eligible faculty during 2020. The plan, referred to as the Faculty Voluntary Retirement Incentive Program (FVRIP) resulted in 35 retirements.

Statement of Net Position

A summary of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30 is as follows:

	2021	2020	2019
	(All dollar amounts in thousands)		
Current assets	$ 137,791	$ 110,356	$ 99,646
Noncurrent assets:			
Capital assets, net	327,512	338,018	345,971
Other	49,525	27,306	29,353
Deferred outflows of resources	23,815	41,663	66,341
Total assets and deferred outflows	538,643	517,343	541,311
Current liabilities	58,834	58,536	65,042
Noncurrent liabilities	228,457	287,206	334,575
Deferred inflows of resources	82,853	74,761	61,286
Total liabilities and deferred inflows	370,144	420,503	460,903
Net position:			
Net investment in capital assets	267,991	272,090	274,794
Restricted	18,138	13,574	15,714
Unrestricted	(117,630)	(188,824)	(210,100)
Total net position	$ 168,499	$ 96,840	$ 80,408

Assets and Deferred Outflows of Resources

Current assets, comprised primarily of cash and cash equivalents, student and sponsor receivables, prepaid expenses, and advanced charges increased $27.4 million in 2021, which is primarily the result of an increase in cash and cash equivalents of $23.3 million and receivables of $5.0 million offset by reductions in advanced charges of $.4 million and prepaid expenses of $.5 million. In 2020, current assets increased by $10.7 million. Cash and cash equivalents increased $10.3 million during 2020 and receivables increased $.8 million, offset by reductions in advanced charges of $.4 million.

Capital assets, net of depreciation decreased $10.5 million in 2021 to $327.5 million. Additions of $10.3 million were offset by $18.5 million in depreciation, less net retirements of $2.3 million. In 2020 capital assets decreased $8.0 million to $338.0 million. Additions in 2021 included $1.5 million of land related to the Lake Campus and Calamityville, $2.6 million of land improvements and infrastructure projects and $2.8 million of building and leasehold improvements. Routine moveable equipment and library acquisitions were also made during both years. Retirements of $7.8 million and accumulated depreciation of $5.7 in 2021 included building improvements associated with the Cox Heart Institute and Miami Valley Research Park.

Other noncurrent assets are comprised of long-term investments, noncurrent student loans receivable, noncurrent prepaid expenses, and other postemployment benefit assets. Other noncurrent assets increased $22.2 million in 2021 due to increases in other long-term investments of $17.3 and in other postemployment benefits asset of $4.7 million. In 2020 other noncurrent assets decreased $2.0 million, due to decreases in student loan receivables of $1.1 million and in other postemployment benefits asset of $.7 million, as well as a decrease in restricted cash and cash equivalents of $.3 million related to unspent bond proceeds returned in fiscal 2020.

Deferred outflows of resources represent consumption of resources that does not require a further exchange transaction of goods and services and is applicable to a future reporting period. For 2021 deferred outflows declined $17.8 million driven largely by the change in pension related balances from $33.8 million to $19.9 million. In 2020 deferred outflows of resources included unamortized loss from the refunding of debt in 2013 of $.3 million, pension related balance of $33.8 million, and OPEB related balance of $7.6 million.

Total assets and deferred outflows of resources increased $21.3 million in 2021 as compared to a decrease of $24.0 million in 2020. These fluctuations are driven mainly by the increase in cash and cash equivalents, and other long-term investments.

Liabilities and Deferred Inflow of Resources

Current liabilities are comprised of accounts payable; accrued and other liabilities; unearned revenues from both student fees and advance payments for contracts and grants; refunds, and the current portion of noncurrent liabilities. Current liabilities increased $0.3 million in 2021 to $58.8 million. Increases included $4.2 million in the current portion of noncurrent liabilities related to the current portion of compensated absences and employee severance. Other decreases include $1.7 million in accounts payable, $.8 million in unearned revenue, and $1.1 million in accrued liabilities.

Noncurrent liabilities are comprised of unearned revenue, net pension liability, OPEB, refundable advances for Federal Perkins loans, capital lease, and other noncurrent liabilities including compensated absences, an accrual for voluntary retirement incentive programs, and the noncurrent portion of University debt. Noncurrent liabilities declined by $58.7 million in 2021 vs. 2020 driven largely by a reduction of $54.3 million in pension and OPEB liabilities. The reduction in the pension and OPEB liabilities was primarily due to a reduction in the University's proportionate share of the pension liabilities associated and improved investment performance with the Ohio Public Employees Retirement System (OPERS) plans. The decline in other noncurrent liabilities also includes $5.9 million in bonds and notes payable, which was offset by $6.8 million increase in voluntary retirement incentives.

In 2020 these balances declined by $47.4 million to $287.2 million at June 30, 2020. This decrease was primarily attributable to a reduction of $43.0 million in pension and OPEB liabilities, $4.4 million in other noncurrent liabilities, and $5.9 million in bonds and notes payable, partially offset by the addition of $2.0 million in employee severance due to the 2020 Faculty Voluntary Retirement Program.

Deferred inflows of resources represent an acquisition of resources that does not require a further exchange of goods and services and is applicable to a future reporting period. In 2021 deferred inflows for pensions increased $1.4 million. OPEB contributed a $6.7 million increase to deferred inflows, mostly attributed to adjustments related to improved investment performance for OPERS, the reduction in the University's proportionate share of the OPERS plan balance and a change in assumption in calculation of the OPERS plan balances.

In 2020, the deferred inflows of resources related to pension increased $10.0 million from $40.0 million at June 30, 2019 to $50.0 million at June 30, 2020. These increases were mostly attributed to improved investment performance for OPERS and the reduction in the University's proportionate share of the STRS pension plan balance. OPEB contributed a $3.4 million increase to deferred inflows.

Net Position

Net position represents the remaining balance of the University's assets after adding deferred outflows of resources and deducting liabilities and deferred inflows of resources. The University's net position improved $71.7 million in 2021 over 2020. The improvement during the year is attributed to $38.6 million in operational improvements and $33.1 million to pension and OPEB adjustments.

The University's net position improved $16.4 million in 2020 over 2019, with $12.3 million in operational improvements and $4.1 million from pension and OPEB adjustments.

A more detailed summary of the University's net position as of June 30 is as follows:

	2021	2020	2019
	(All dollar amounts in thousands)		
Net investment in capital assets	$ 267,991	$ 272,090	$ 274,794
Restricted expendable	18,138	13,574	15,714
Unrestricted:			
Designated	(141,412)	(154,075)	(160,930)
Undesignated	23,782	(34,749)	(49,170)
Total net position	$ 168,499	$ 96,840	$ 80,408

Net investment in capital assets represents the University's capital assets after subtracting accumulated depreciation and the principal amount of outstanding debt attributable to the acquisition, construction or improvement of those assets. The decline of $4.1 million in 2021 occurred across all asset categories, except land and land improvements and infrastructure, as depreciation expense outpaced capital improvements. Fiscal 2021 also included disposals of assets associated with the Cox Heart Institute and Miami Valley Research Park. In 2020 net investment in capital assets declined $2.7 million.

Restricted expendable net position represents funds externally restricted to specific purposes, such as student loans or sponsored projects. The majority of the restricted expendable balance, excluding the OPEB assets, represents funds restricted for student loans. The increase of $4.6 million in 2021 is the result of an increase of $4.7 million in other postemployment benefit, partially offset by a decrease of $.1 million in student loan funds. The decrease of $2.1 million in 2020 resulted from a decrease of $1.4 million in student loan funds and a decrease of $.7 million in other postemployment benefit.

Unrestricted net position represents the portion of net position that is not subject to external restrictions. The University may designate these funds internally for various academic, research, student aid, and capital purposes. Unrestricted net position increased $71.2 million in 2021 over 2020 and increased $21.3 million in 2020 vs. 2019.

GASB Nos. 68 and 75 have had a significant effect on the University's unrestricted net position. The cumulative impact of the implementation of the pension and OPEB standards is ($218.9) million and ($247.3) million for 2021 and 2020, respectively, as presented in the following table:

	2021	2020	2019
	(All dollar amounts in thousands)		
Unrestricted net position			
Balance before reporting for pensions & OPEB	$ 101,236	$ 58,436	$ 42,000
Impact of implementation of pension & OPEB standards			
Deferred outflows of resources - pensions & OPEB	23,579	41,397	66,046
Net pension & OPEB liability	(159,592)	(213,896)	(256,860)
Deferred inflows of resources - pensions & OPEB	(82,853)	(74,761)	(61,286)
Net impact of implementation of pension & OPEB	(218,866)	(247,260)	(252,100)
Total unrestricted net position	$ (117,630)	$ (188,824)	$ (210,100)

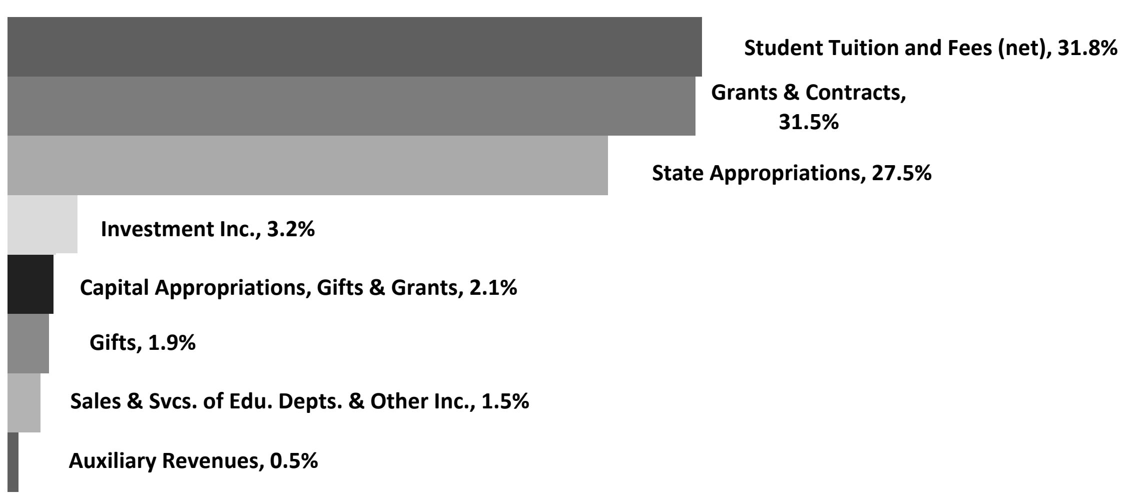
Additionally, the cumulative impact of the OPEB standards has resulted in $13.7 million and $9.0 million of other postemployment benefits assets, which is reflected in the University's restricted net position, for 2021 and 2020, respectively.

Statements of Revenues, Expenses and Changes in Net Position

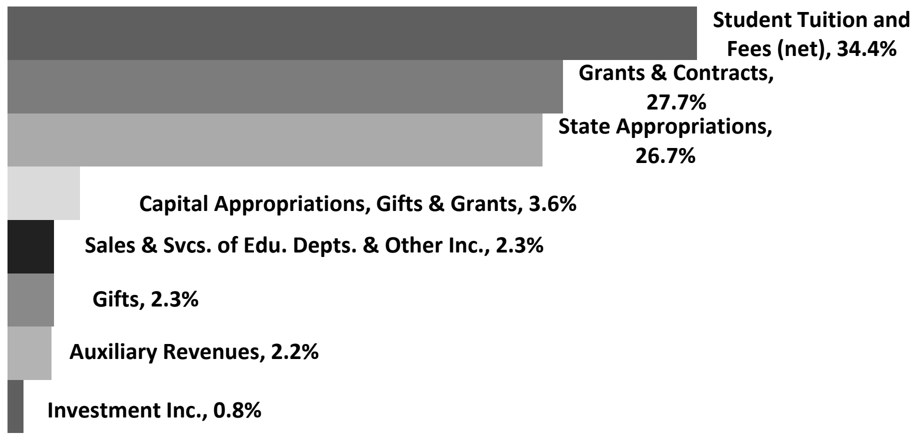
The Statement of Revenues, Expenses and Changes in Net Position presents the results of operations for the University. A summary of the University's revenues, expenses and changes in net position for the years ended June 30 is as follows:

	2021	2020	2019
	(All dollar amounts in thousands)		
Operating revenues:			
Student tuition & fees - net	$ 101,465	$ 111,104	$ 120,379
Grants and contracts	52,813	62,190	69,632
Sales and services	2,505	3,670	3,826
Auxiliary enterprises	1,440	6,988	10,575
Other	2,145	3,698	3,677
Total	160,368	187,650	208,089
Operating expenses	247,729	303,686	301,927
Operating loss	(87,361)	(116,036)	(93,838)
Nonoperating revenues (expenses):			
State appropriations	87,775	86,249	90,492
Federal grants	44,294	23,008	17,676
State grants	3,289	4,028	3,201
Gifts	5,946	7,426	8,652
Investment income	10,348	2,612	3,395
Interest expense	(2,377)	(2,606)	(2,872)
Other revenue (expense)	3,032	171	(398)
Capital appropriations	5,127	9,087	8,388
Capital grants and gifts	1,586	2,493	1,587
Reclassification of restricted net position to a liability (termination of the Perkins Loan program)	-	-	(8,648)
Total	159,020	132,468	121,473
Increase in net position	71,659	16,432	27,635
Net position - beginning of year	96,840	80,408	52,773
Net position - end of year	$ 168,499	$ 96,840	$ 80,408

Revenues by source for the year ended June 30, 2021.



Revenues by source for the year ended June 30, 2020.



Operating Revenues

Overall operating revenues declined $27.3 million or 14.5% in 2021 vs. 2020, from $187.7 million to $160.4 million. The largest factor was a decline in tuition and fee revenue (net) of $9.6 million or 8.7%. Student headcount for Fall 2020 declined 1,508 from Fall 2019 (13,742 to 12,234) but was somewhat offset by an increase in tuition rates as noted below. Headcount enrollment was 15,558 in Fall 2018.

Student tuition and fees, net were $101.5 million, $111.1 million and $120.4 million, in 2021, 2020, and 2019, respectively, which resulted in an 8.7% decrease from 2020 to 2021 and a 7.7% decrease from 2019 to 2020. Fee rates for continuing resident undergraduate students increased in fiscal 2021 by 2% vs. 2020. The tuition rate for the new Wright Guarantee Cohort (Cohort 3) increased by 4% over the rate for Cohort 2 and will remain unchanged for four years. Graduate and non-resident fee rates were unchanged from 2020 with the exception of a 3.6% increase for MBA tuition and a 2% increase for the Boonshoft School of Medicine and School of Professional Psychology tuition. Tuition revenue before the application of scholarships (financial aid applied to students' bills) in 2021 was down $12 million, or 8%, from 2020 and in 2020 was down $9.7 million, or 6.1%, from 2019.

Grants and contracts totaled $52.8 million in 2021 vs. $62.2 million in 2020 and $69.6 million in 2019. Operating grants and contracts income fluctuates as individual awards begin and end, as well as the extent to which awards include capital expenditures displayed as nonoperating revenues. Combined operating and nonoperating grants and contracts income as a percent of total income increased 3.8% from 27.7% in 2020 to 31.5% in 2021 as a result of COVID-related relief packages.

Sales and services, which are primarily revenues generated from specific departmental sales activities to organizations external to the University, were $2.5 million, $3.7 million, and $3.8 million, for the years ended June 30, 2021, 2020, and 2019, respectively. Approximately 40% of these revenues in 2021 were generated by the Boonshoft School of Medicine and telecommunications.

Auxiliary revenues were $1.4 million, $7.0 million, and $10.6 million, for the years ended June 30, 2021, 2020, and 2019, respectively. Auxiliary enterprises are comprised of residence life and housing, bookstores, hospitality (dining and catering) services, vending, parking and transportation, intercollegiate athletics, the Student Union, and the Nutter Center. In 2021 and 2020, all auxiliary services experienced declines with the greatest in hospitality services and the Nutter Center due to COVID and shelter-in-place restrictions.

Other operating revenues, which include rebates, administrative fees, and other miscellaneous revenues were $2.1 million, $3.7 million, and $3.7 million for the years ended June 30, 2021, 2020, and 2019, respectively.

Nonoperating Revenues

State appropriations increased $1.5 million in 2021 from $86.2 million in 2020 to $87.8 million. State appropriations decreased $4.2 million in 2020 from $90.5 million in 2019. Although the accounting standards classify state appropriations as a nonoperating revenue source in the financial statements, the University continues to manage state funding as an operating revenue item because it is intended to support instructional activities.

Investment income increased $7.7 million to $10.3 million in 2021 from $2.6 million in 2020. The $7.7 million increase in 2021 largely resulted from an increase in valuations associated with the University's private equity portfolio. The University experienced investment revenue of $3.4 million in 2019. The $.8 million decrease in 2020 was largely attributable to COVID market disruptions and Federal Reserve rate cuts that negatively impacted yields on working capital investments.

Federal grants and state grants have been primarily composed of restricted funding for Pell, SEOG (Supplemental Educational Opportunity Grant), and OCOG (Ohio College Opportunity Grants) programs. In fiscal 2021 and 2020, CARES Act and CRF funding were also added here, as part of the federal government's response to COVID. These grants were $47.6 million in 2021, $27.0 million in 2020, and $20.9 million in 2019.

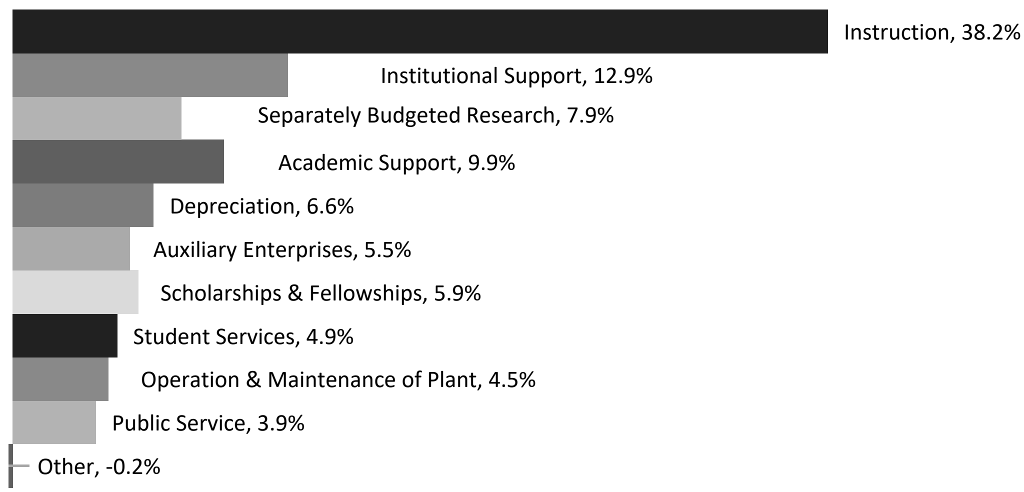
Gifts revenues, all of which are received through the Foundation, decreased $1.5 million from $7.4 million in 2020 to $5.9 million in 2021. Gifts decreased $1.3 million in 2020 from $8.7 million in 2019.

Capital Appropriations, Gifts and Grants were $6.7 million in 2021 vs. $11.6 million in 2020 and $10.0 million in 2019. The change in capital appropriations is dependent on the level of authorized construction activity. Large projects in 2021 included IT infrastructure upgrades ($1 million), electrical infrastructure upgrades ($.7 million), the University safety initiative ($.4 million) and elevator upgrades ($.4 million).

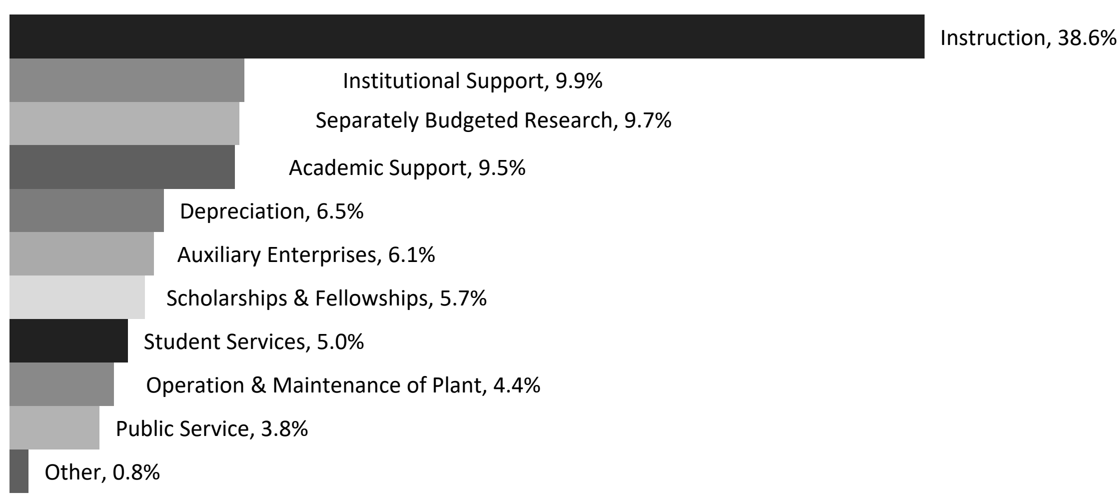
Expenses
A summary of the University's expenses for the years ended June 30 is as follows:

	2021	2020	2019
	(All dollar amounts in thousands)		
Operating expenses			
Instruction and departmental research	$ 106,938	$ 119,868	$ 121,606
Separately budgeted research	22,216	30,219	34,447
Public service	10,897	11,851	12,959
Academic support	27,779	29,485	29,995
Student services	13,602	15,481	16,836
Institutional support	36,147	30,647	27,067
Operation and maintenance of plant	12,608	13,549	16,070
Scholarships and fellowships	16,592	17,797	16,850
Auxiliary enterprises	15,565	18,828	20,130
Pension and OPEB	(33,105)	(4,143)	(13,959)
Depreciation	18,490	20,104	19,926
Total operating expenses	247,729	303,686	301,927
Nonoperating expenses			
Interest on capital asset-related debt	2,377	2,606	2,872
Other nonoperating (revenues)/expenses	(3,032)	(171)	398
Total nonoperating (revenues) expenses	(655)	2,435	3,270
Total expenses	$ 247,074	$ 306,121	$ 305,197

The following is a graphical illustration of expenses by function, excluding pension and OPEB, for the year ended June 30, 2021.



The following is a graphical illustration of expenses, excluding pension and OPEB, by function for the year ended June 30, 2020.



Total operating expenses were $247.7 million in 2021 vs. $303.7 million in 2020 and $301.9 million in 2019. Operating expenses decreased $56.0 million in 2021 over 2020, of which $27 million is attributed to a decrease in operations in addition to a $29.0 million decrease attributable to pension and OPEB adjustments. The $1.8 million increase in 2020 was a combination of an $8.0 million decrease in operations which was more than offset by a $9.8 million increase attributable to pension and OPEB adjustments. Salaries and wages represent the largest part of the University's expenses at more than half of both 2021 and 2020 total operating expenses, excluding the impact of pension and OPEB adjustment.

Nonoperating expenses, net of nonoperating revenue, chiefly relate to capital assets including interest expense on capital assets-related debt and gains/losses on the disposition of capital assets. Nonoperating expenses were ($.7) million in 2021, $2.4 million in 2020, and $3.3 million in 2019. Fiscal 2021 was comprised of $1.5 million in income associated with receipt of the Lake Campus and Calamityville properties. In addition, $1.6 million and $.5 million of losses were realized with the disposal of the Miami Valley Research and Cox Heart Institute properties.

Statements of Cash Flows

The Statement of Cash Flows also provides information about the University's financial health by reporting the cash receipts (inflows) and cash payments (outflows) of the University during the year.

A summary of the Statements of Cash Flows is as follows:

	2021	2020	2019
	(All dollar amounts in thousands)		
Cash provided (used) by:			
Operating activities	$ (96,798)	$ (99,624)	$ (89,950)
Noncapital financing activities	133,875	116,046	119,815
Capital and related financing activities	(6,825)	(9,152)	(9,599)
Investing activities	(6,943)	2,758	4,125
Net increase in cash and cash equivalents	23,309	10,028	24,391
Cash and cash equivalents-beginning of year	73,452	63,424	39,033
Cash and cash equivalents-end of year	$ 96,761	$ 73,452	$ 63,424

Total cash and cash equivalents increased $23.3 million in 2021 as compared to a $10.0 million increase in 2020. Net cash outflow for operating activities decreased by $2.8 million from $99.6 million in 2020 to $96.8 million in 2021. Cash from operating revenues declined $25.9 million mainly due to a reduction in tuition receipts of $8.7 million, reduction in grant and contract revenue of $8.9 million, and a reduction in auxiliary enterprise sales revenue of $8.1 million. Payments for salaries and benefits declined $18.1 million. Payments to suppliers decreased $9.3 million. There was also a decrease of $1.2 million for scholarships and fellowships. Cash inflow for noncapital financing activities increased by $17.8 million, primarily due to an increase in HEERF funding. Cash outflow for capital and related financing activities declined $2.3 million mostly as a result of an decrease in capital appropriations and capital grants and gifts of $5.1 million combined with an increase of $1.1 million in principal paid on capital debt and leases, which increased in 2021 as a result of the payoff of the Lake Campus capital lease, and offset by $5.4 million decrease in the purchase of capital assets and $2.9 million increase in the proceeds from sales of certain other capital assets. Cash inflows used in investing activities increased $9.7 million.

Total cash and cash equivalents increased $10.0 million in 2020 as compared to a $24.4 million increase in 2019. Net cash outflow for operating activities increased by $9.7 million from $90.0 million in 2019 to $99.7 million in 2020. Cash from operating revenues declined $21.8 million mainly due to a reduction in tuition receipts of $11.9 million and a reduction in grant and contract revenue of $5.5 million. Payments for salaries and benefits declined $16.2 million. Payments to suppliers increased $3.5 million. There was also an increase of $.9 million for scholarships and fellowships. Cash inflow for noncapital financing activities came down $3.8 million, primarily due to a decrease of $4.2 million in state appropriations. Cash outflow for capital and related financing activities declined $.5 million mostly as a result of an increase in capital appropriations and capital grants and gifts of $3.2 million combined with a reduction in principal paid on capital debt and leases of $2.0 million partially offset by larger outflows for purchases of capital assets of $5.0 million. Cash inflows from investing activities declined $1.4 million as the University continued to rely less on cash flows from investments to fund operations.

Capital Assets and Debt

Capital Assets The University's investment in capital assets was $327.5 million, net of accumulated depreciation of $374.0 million at June 30, 2021, as compared to $338.0 million at June 30, 2020 and $346.0 million at June 30, 2019. Depreciation expense for the years ended June 30, 2021, 2020 and 2019 was $18.5 million, $20.1 million and $19.9 million, respectively.

		2021		2020		2019
		(All dollar amounts in thousands)				
Land, land improvements and infrastructure	$	38,520	$	36,428	$	37,413
Buildings		267,785		278,416		282,344
Machinery and equipment		10,998		11,718		13,090
Library books and publications		10,210		11,456		12,815
Construction in progress		-		-		309
Total capital assets - net	$	327,513	$	338,018	$	345,971

Depreciation expense and retirement of assets has exceeded the growth in assets over the last three years. During 2021, major projects included $1.3 million for Wellfield Remediation, $1.3 million for Campus Energy Efficiency and Controls, $.7 million for Electrical Infrastructure upgrades and $.6 million for IT Infrastructure Upgrades. During 2020, major projects included $4.2 million for Roof Renewal and Replacement and $.9 million for Instructional Lab Modernization and Maintenances. In 2019 major projects included $2.1 million for the Lake Campus Andrews Hall Connector and $1.6 million at the Dayton Campus Student Union for the Veterans and Workforce Gateway project.

Debt As of June 30, 2021, bonds, lease and notes payable totaled $59.6 million vs. $66.0 million as of June 30, 2020 and $71.8 million as of June 30, 2019. The 2021 balance was comprised of $46.4 million of general obligation bonds, $12.7 million in outstanding notes and $.5 million capital lease. The 2020 balance was comprised of $50.6 million of general obligation bonds, $14.4 million in outstanding notes and $1.0 million capital lease. The 2019 balance of $71.8 million includes $54.6 million of outstanding bonds, $16.1 million of outstanding notes and $1.1 million capital lease. In 2021, the University paid $1.2 million to retire the Lake Campus Agriculture and Water Quality Education Center capital lease in full. In 2021, the University recognized a capital lease obligation of $.5 million related to its copying and printing leases.

In May 2021, Moody's Investors Service upgraded the University's ratings to a Baa1 with a stable outlook. The University's previous rating had been issued in 2019 and was Baa2, negative outlook.

Future Economic Factors / Concluding Thoughts

Stabilizing tuition and fees, the largest source of revenues, will continue to present challenges given the headwinds of demographic changes, both locally and statewide, as well as competition from a variety of other institutions. While the pandemic has accentuated the challenges of declining enrollment among almost all institutions of higher education, the long-term impact on higher education is yet to fully materialize. The University's fall census (preliminary) headcount enrollment declined 6.25% from 12,234 in fall 2020 to 11,469 in fall 2021 (fiscal 2022). Fall census headcount enrollment has declined each year from 18,059 in fall 2015 (fiscal 2016). The University's remediation efforts in recent years successfully reduced operating expenditures and strengthened the balance sheet. Moody's Investors Service upgraded the University's credit rating from Baa2 to Baa1 and revised the institution's outlook from negative to stable.

The University is leveraging its already affordable tuition through continuation of a four-year tuition guarantee program, which is intended to promote timely graduation, increase degree completion and lower the cost of the student's degree. The guarantee program also enhances tuition revenue with each entering cohort of new students. The State of Ohio passed a biennial budget in June 2021 that included authority to increase undergraduate fees for continuing students by 2% for each year of the biennium, and to increase fees in the tuition guarantee program by 2% plus a factor for inflation in each year of the biennium. The tuition rate for the fourth cohort was increased by 3.8% and will be locked in for four years. Wright State continues to maintain its cost competitiveness by having the fourth lowest annualized full-time guaranteed undergraduate tuition rate of the fourteen public universities in Ohio.

The State of Ohio establishes a pool of funds, State Share of Instruction (SSI), to subsidize instruction at the 14 state institutions of higher education. The University's share fluctuates based on degree and course completions. While there are additional influences and factors affecting the actual allocation of the subsidy, the formula promotes the importance of the academic success of the student. As a result of the pandemic's impact on Ohio's economy, the State reduced the SSI budget which resulted in a $3.3 million reduction in the University's fourth quarter allocation in fiscal year 2020. SSI was fully restored for fiscal 2021 and is expected to be slightly higher in fiscal 2022. This support from the State of Ohio is critical as SSI is the second largest source of revenues for the University.

Susan Edwards, Ph.D took office on January 1, 2020 as the eighth president of Wright State University and immediately aligned all operational efforts on recruitment, retention, and relationships. The importance of stabilizing enrollment and improving retention are key to economic stability and have become both more important and more challenging given the disruption to higher education resulting from the pandemic.

For Wright State, like other universities across the nation, responding to the COVID-19 pandemic remained as one of the most significant challenges in 2021. Having swiftly responded to the challenge by pivoting to remote instruction in Spring 2020, the University gradually returned to face-to-face instruction beginning Fall 2020.

With the support of the University's Board of Trustees, President Edwards has initiated efforts focused on restructuring the administrative and academic footprint to meet the needs of the students and the region in a sustainable manner. Various administrative offices are being transformed to generate efficiencies and savings. A new health college was launched and other college structures continue to be evaluated. The University continues its textbook affordability program that encourages faculty to use more affordable textbook options when possible, making college more affordable and improving the likelihood of student retention. Investments have been made in our infrastructure to continue to deliver the highest quality education in traditional, remote and online formats.

The higher education industry is going through a transformation accelerated by the pandemic and Wright State recognizes that challenge and is working toward continuing its tradition of excellence in this rapidly changing landscape.

WRIGHT STATE UNIVERSITY
A Component Unit of the State of Ohio
Statements of Net Position
June 30, 2021 and 2020

	2021	2020
Current assets:		
Cash and cash equivalents	$ 96,760,388	$ 73,451,704
Accounts receivable (net of allowance for doubtful accounts of $1,831,000 in 2021 and $1,770,000 in 2020)	36,631,023	31,593,293
Loans receivable (net of allowance for doubtful loans of $2,219,000 in 2021 and $3,181,000 in 2020)	1,741,317	1,780,164
Inventories	66,772	99,816
Prepaid expenses	756,201	1,226,605
Advanced charges	1,835,275	2,204,391
Total current assets	137,790,976	110,355,973
Noncurrent assets:		
Loans receivable (net of allowance for doubtful loans of $39,000 in 2021 and $48,000 in 2020)	3,885,331	4,736,454
Net other postemployment benefits asset	13,678,040	8,966,960
Other assets	1,460,072	391,562
Other long-term investments	30,501,988	13,211,478
Capital assets, net	327,512,256	338,018,241
Total noncurrent assets	377,037,687	365,324,695
Total assets	514,828,663	475,680,668
Deferred outflows of resources:		
Bond refunding	236,059	265,565
Pension related	19,894,520	33,802,670
Other postemployment benefits related	3,684,698	7,594,398
Total assets and deferred outflows of resources	**$ 538,643,940**	**$ 517,343,301**

	2021	2020
Current liabilities:		
Accounts payable trade and other	$ 7,267,843	$ 8,930,701
Accrued liabilities	11,146,939	12,276,467
Unearned revenue	21,924,090	22,768,422
Refunds and other liabilities	825,029	909,228
Current portion of noncurrent liabilities (other than unearned revenue)	17,670,340	13,651,453
Total current liabilities	58,834,241	58,536,271
Noncurrent liabilities:		
Unearned revenue	430,199	805,403
Refundable advances for Federal Perkins loans	3,490,623	4,352,775
Net pension liability	159,592,312	173,751,935
Net other postemployment benefits liability	-	40,144,542
Other noncurrent liabilities	64,944,161	68,151,491
Total noncurrent liabilities	228,457,295	287,206,146
Deferred inflows of resources:		
Pension related	51,250,364	49,838,249
Other postemployment benefits related	31,602,433	24,922,371
Total liabilities and deferred inflows of resources	370,144,333	420,503,037
Net Position:		
Net investment in capital assets	267,990,577	272,089,985
Restricted - expendable:		
Instruction and departmental research	22,469	22,113
Separately budgeted research	1,945	1,949
Institutional support	2,993	762
Loans	4,433,097	4,582,568
Other postemployment benefits - STRS and OPERS	13,678,040	8,966,960
Unrestricted	(117,629,514)	(188,824,073)
Total net position	168,499,607	96,840,264
Total liabilities and deferred inflows of resources and net position	**$ 538,643,940**	**$ 517,343,301**

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

WRIGHT STATE UNIVERSITY
A Component Unit of the State of Ohio
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Student tuition and fees (net of scholarship allowances of $36,631,000 in 2021 and $39,017,000 in 2020)	$ 101,464,762	$ 111,104,069
Federal grants and contracts	23,933,221	26,040,737
State grants and contracts	5,421,595	5,532,594
Local grants and contracts	224,389	359,161
Nongovernmental grants and contracts	23,233,603	30,256,967
Sales and services	2,505,005	3,670,198
Auxiliary enterprises sales (net of scholarship allowances of $2,076,000 in 2021 and $2,524,000 in 2020)	1,440,392	6,988,339
Other operating revenues	2,145,478	3,697,987
Total operating revenues	**160,368,445**	**187,650,052**
OPERATING EXPENSES		
Educational and general:		
Instruction and departmental research	106,938,195	119,868,048
Separately budgeted research	22,216,111	30,219,480
Public service	10,896,644	11,851,491
Academic support	27,779,374	29,485,237
Student services	13,601,420	15,480,927
Institutional support	36,147,389	30,647,039
Operation and maintenance of plant	12,608,137	13,549,354
Scholarships and fellowships	16,591,891	17,797,439
Total educational and general	246,779,161	268,899,015
Auxiliary enterprises	15,565,371	18,827,853
Pension and OPEB	(33,105,218)	(4,144,351)
Depreciation	18,490,110	20,103,640
Total operating expenses	**247,729,424**	**303,686,157**
Operating loss	(87,360,979)	(116,036,105)
NONOPERATING REVENUES (EXPENSES)		
State appropriations	87,774,914	86,249,156
Federal grants	44,293,898	23,007,874
State grants	3,289,106	4,028,082
Gifts	5,946,388	7,426,225
Investment income (net of investment expenses of $46,000 in 2021 and $48,500 in 2020)	10,348,304	2,612,486
Interest on capital asset-related debt	(2,376,674)	(2,606,279)
Other nonoperating revenues (expenses)	3,031,744	170,433
Net nonoperating revenues	152,307,680	120,887,977
Income before other revenues, expenses, gains or losses	64,946,701	4,851,872
Capital appropriations from the State of Ohio	5,126,613	9,087,111
Capital grants and gifts	1,586,029	2,492,861
Increase in net position	**71,659,343**	**16,431,844**
NET POSITION		
Net position - beginning of year	96,840,264	80,408,420
Net position - end of year	**$ 168,499,607**	**$ 96,840,264**

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

WRIGHT STATE UNIVERSITY
A Component Unit of the State of Ohio
Statements of Cash Flows
For the Years Ended June 30, 2021 and 2020

CASH FLOWS FROM OPERATING ACTIVITIES	2021	2020
Student tuition and fees	$ 100,699,479	$ 109,362,735
Federal, state, local, and nongovernmental grants and contracts	53,501,434	62,387,765
Sales and services of educational and other departmental activities	3,636,444	2,473,155
Payments to employees	(145,720,889)	(161,808,211)
Payments for benefits	(42,969,057)	(44,985,991)
Payments to suppliers	(50,439,161)	(59,759,605)
Payments for scholarships and fellowships	(17,144,560)	(18,344,167)
Student loans issued	(383,500)	(461,733)
Student loans collected	1,354,313	2,573,572
Student loan interest and fees collected	474,607	632,535
Auxiliary enterprise sales	192,673	8,305,463
Net cash (used) by operating activities	**(96,798,217)**	**(99,624,482)**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	87,774,914	86,249,156
Direct lending receipts	68,009,865	76,758,356
Direct lending disbursements	(67,494,799)	(76,821,295)
Federal nonexchange grant - Perkins loans	(1,184,454)	(3,095,707)
Grants for noncapital purposes	40,953,718	25,320,951
Gifts	5,815,532	7,634,100
Net cash provided by noncapital financing activities	**133,874,776**	**116,045,561**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital appropriations from the State of Ohio	5,315,097	9,510,054
Capital grants and gifts received	1,586,029	2,492,861
Purchases of capital assets	(8,229,239)	(13,649,080)
Proceeds from sales of capital assets	3,549,060	638,437
Principal paid on capital debt and leases	(6,619,094)	(5,480,760)
Interest paid on capital debt and leases	(2,680,123)	(2,915,038)
Bond interest subsidy	253,117	251,876
Net cash (used) by capital and related financing activities	**(6,825,153)**	**(9,151,650)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	9,042,017	3,560,581
Interest and dividends	258,533	1,230,882
Purchase of investments	(16,243,272)	(2,033,334)
Net cash (used in) provided by investing activities	**(6,942,722)**	**2,758,129**
Net Increase in Cash and Cash Equivalents	**23,308,684**	**10,027,558**
Cash and Cash Equivalents - Beginning of Year	73,451,704	63,424,146
Cash and Cash Equivalents - End of Year	**$ 96,760,388**	**$ 73,451,704**

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

WRIGHT STATE UNIVERSITY
A Component Unit of the State of Ohio
Statements of Cash Flows
For the Years Ended June 30, 2021 and 2020

Reconciliation of operating loss to net cash used by operating activities:	2021	2020
Operating loss	$ (87,360,979)	$ (116,036,105)
Depreciation and amortization	18,199,414	19,812,946
Provision for doubtful accounts	907,263	663,703
Collections on doubtful loans	(230,669)	(325,178)
Changes in assets and liabilities:		
Accounts receivable	119,334	(1,176,692)
Inventories	33,044	32,472
Prepaid expenses	348,372	104,072
Advanced charges	369,116	438,011
Other assets	(1,068,510)	(189,587)
Net other postemployment benefits asset	(4,711,080)	695,906
Deferred outflows of resources - pensions and OPEB	17,817,850	24,648,754
Accounts payable	(1,587,951)	(1,261,681)
Accrued liabilities	(1,129,528)	(687,729)
Unearned revenue	(899,334)	(589,756)
Compensated absences	700,000	(1,500,000)
Refundable advances for Federal Perkins loans	80,843	114,152
Voluntary retirement incentive	6,790,146	2,831,007
Refunds and other liabilities	(84,199)	(32,630)
Loans to students	1,120,639	2,322,864
Net liabilities - pensions and OPEB	(54,304,165)	(42,963,266)
Deferred inflows of resources - pensions and OPEB	8,092,177	13,474,255
Net cash used by operating activities	**$ (96,798,217)**	**$ (99,624,482)**

Noncash investing, capital, and financing activities:		
Net unrealized gain (loss) in fair value of investments	$ 2,996,796	$ (253,473)
Donated and transferred capital assets	$ 1,634,008	$ -
Capital lease	$ 498,414	$ -
Purchases of capital assets in accounts payable	$ 1,083,952	$ 1,166,077
Capital asset impairments/demolitions	$ -	$ 467,830

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

	2021	2020
ASSETS		
Cash and cash equivalents	$ 1,945,321	$ 2,170,778
Pledges receivable (net)	5,986,400	7,205,300
Gifts receivable from trusts held by others	1,890,000	1,522,800
Investment in securities	152,177,639	121,460,627
Other investments	372,952	1,736,053
Interest and dividends receivable	276,790	182,286
Capital assets (net)	1,927,707	2,045,729
Annuity assets	976,913	816,458
Other assets	510,960	504,820
TOTAL ASSETS	$ 166,064,682	$ 137,644,851
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable:		
Wright State University	$ 496,570	$ 365,714
Trade and other	223,307	145,915
Deposits held in custody for others	2,434,172	2,031,782
Annuities payable	351,300	360,800
TOTAL LIABILITIES	3,505,349	2,904,211
NET ASSETS:		
Without donor restrictions		
Designated by Board	2,556,866	2,514,894
Undesignated	11,489,864	6,019,461
With donor restrictions		
Purpose/time restricted	97,634,047	76,044,982
Perpetually restricted	50,878,556	50,161,303
TOTAL NET ASSETS	162,559,333	134,740,640
TOTAL LIABILITIES AND NET ASSETS	$ 166,064,682	$ 137,644,851

The accompanying notes are an integral part of these consolidated financial statements.

WRIGHT STATE UNIVERSITY FOUNDATION, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended June 30, 2021 with comparative 2020 totals

	Without Donor Restriction	With Donor Restriction	Total 2021	Total 2020
REVENUE AND OTHER SUPPORT:				
Gifts and contributions	$ 124,925	$ 3,139,923	$ 3,264,848	$ 10,049,299
Investment earnings:				
Interest and dividends	1,019,496	3,046,294	4,065,790	5,261,642
Net realized and unrealized gains	4,992,457	22,217,983	27,210,440	(5,448,509)
Administrative fee charged to certain restricted accounts	1,219,646	(1,219,646)	-	-
Change in value of split interest agreements	-	331,888	331,888	(45,041)
Other income (loss)	162,823	169,572	332,395	53,427
Net assets released from restrictions	5,568,417	(5,568,417)	-	-
Change in donor restrictions	(184,621)	184,621	-	-
Total revenue and other support	12,903,143	22,302,218	35,205,361	9,870,818
EXPENSES AND LOSSES:				
Program services:				
Scholarships	3,072,025	-	3,072,025	2,939,855
University programs	1,868,056	-	1,868,056	3,215,600
Athletic programs	222,318	-	222,318	346,725
Research	428,695	-	428,695	1,003,620
Miscellaneous grants	40,711	-	40,711	45,541
Other program expenses and losses (gains)	-	(4,100)	(4,100)	7,100
Fund raising	620,163	-	620,163	799,055
Management and general	1,138,800	-	1,138,800	951,818
Total expenses	7,390,768	(4,100)	7,386,668	9,309,314
CHANGE IN NET ASSETS	5,512,375	22,306,318	27,818,693	561,504
NET ASSETS				
Beginning of year	8,534,355	126,206,285	134,740,640	134,179,136
End of year	$14,046,730	$148,512,603	$162,559,333	$134,740,640

The accompanying notes are an integral part of these consolidated financial statements.

WRIGHT STATE UNIVERSITY FOUNDATION, INC.
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended June 30, 2020

	Without Donor Restriction	With Donor Restriction	Total 2020
REVENUE AND OTHER SUPPORT:			
Gifts and contributions	$ 131,126	$ 9,918,173	$ 10,049,299
Investment earnings:			
Interest and dividends	1,158,806	4,102,836	5,261,642
Net realized and unrealized gains	(1,045,998)	(4,402,511)	(5,448,509)
Administrative fee charged to certain restricted accounts	1,062,979	(1,062,979)	-
Change in value of split interest agreements	-	(45,041)	(45,041)
Other income (loss)	1,478	51,949	53,427
Net assets released from restrictions	7,282,954	(7,282,954)	-
Change in donor restrictions	10,000	(10,000)	-
Total revenue and other support	8,601,345	1,269,473	9,870,818
EXPENSES AND LOSSES:			
Program services:			
Scholarships	2,939,855	-	2,939,855
University programs	3,215,600	-	3,215,600
Athletic programs	346,725	-	346,725
Research	1,003,620	-	1,003,620
Miscellaneous grants	45,541	-	45,541
Other program expenses and losses (gains)	-	7,100	7,100
Fund raising	799,055	-	799,055
Management and general	951,818	-	951,818
Total expenses	9,302,214	7,100	9,309,314
CHANGE IN NET ASSETS	(700,869)	1,262,373	561,504
NET ASSETS			
Beginning of year	9,235,224	124,943,912	134,179,136
End of year	$ 8,534,355	$ 126,206,285	$ 134,740,640

The accompanying notes are an integral part of these consolidated financial statements.

(1) Organization and Summary of Significant Accounting Policies

Organization

Wright State University (the University) is a state-assisted institution of higher education created in 1967. The University currently operates five colleges, three schools, and other individual departments on its Dayton and Lake Campuses. The University's Board of Trustees consists of nine voting members, who have been appointed by the governor of the State of Ohio and four National Trustees, who have been invited as ex officio members. The Board of Trustees approves the policies and procedures by which the University is governed.

Basis of Presentation

The University is a political subdivision of the State of Ohio and accordingly, its financial statements are discretely presented in the State of Ohio's Comprehensive Annual Financial Report in accordance with GASB Statement No. 14, and amended by GASB Statement Nos. 39, 61 and 80. Under the provisions of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, the University reports certain entities as discretely presented component units. Component units are legally separate organizations which have a fiscal dependency and financial benefit or burden relationship with the primary government and other organizations for which the significance of their relationship with the primary government are such that exclusion would cause the financial statements to be misleading or incomplete.

Wright State University Foundation (the Foundation) is the primary fund-raising organization for the University and contributions to the Foundation are primarily restricted to the activities of the University. These contributions are relied upon for the on-going operations of the University. The Foundation is exempt for federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Complete financial statements for the Foundation can be obtained by sending a request to the Wright State University Foundation Bldg., 3640 Colonel Glenn Highway, Dayton, OH 45435.

The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards that have been codified in Accounting Standards Codification (ASC) 958, Not-for-Profit Entities. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the University's financial reporting entity for these differences. The Foundation has a separate and independent governing board. The University's Board of Trustees does not provide governance or administrative oversight for the discretely presented component unit. Further description and selected disclosures of the Foundation may be found in footnote 11.

The University's affiliation agreement with Wright State Applied Research Corporation (WSARC), the contracting entity for the Wright State Research Institute (WSRI), a department of the University, expired on October 23, 2020. The University has determined WSARC, now operating as Parallax Advanced Research Corporation (Parallax), no longer meets the definition of a component unit in accordance with GASB Statement 61 and has been excluded from the University's comparative financial reports ended June 30, 2020 and 2021.

Double Bowler Properties Corp. (Double Bowler) operates and maintains certain real property used by the University. Wright State University Alumni Association (Alumni Association) engages alumni in supporting the University. The University has determined that although both entities meet the definition of a component unit in accordance with GASB Statement 61, they are individually and, in the aggregate, immaterial to the financial statements. In addition, they do not materially impact the University's financial accountability ratios set forth by the Ohio Department of Higher Education. Accordingly, they have been excluded from the University's financial reporting.

Basis of Accounting
The University's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB). The financial statements of the University have been prepared using the economic resources measurement focus and on the full accrual basis of accounting, whereby revenue is recognized in the period earned, or in the case of advances from other governments, when all eligibility requirements are met in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*. Expenses are recognized when the related liabilities are incurred.

Financial Statements
The University reports as a business-type activity, as defined by GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

Net position
The University's financial resources are classified for accounting and reporting purposes into the following net position categories:

- Net investment in capital assets comprises total investment in capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, and other borrowings that are attributable to the acquisition, construction, or improvement of those assets, and related debt.
- Restricted net position consists of restricted assets, deferred outflows of resources, liabilities, and deferred inflows of resources related to those assets. Expendable restricted net position is available for purposes as determined by external entities that have placed time or purpose restrictions on the use of the assets.
- Unrestricted net position represents the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. This net position is not subject to external restrictions. Management or the Board of Trustees designates most of the unrestricted net position for specific purposes in research, academic, capital acquisition, or other initiatives.

It is the University's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted net position and unrestricted net position are available.

Cash and Cash Equivalents
Cash and cash equivalents include amounts held in the State Treasury Asset Reserve of Ohio (STAROhio). In addition, external investment managers may maintain balances in a money market fund. These balances are included as cash equivalents due to their high liquidity and short-term nature. Other investments purchased with three months or less to maturity are also considered cash equivalents.

Accounts and Loans Receivable
Accounts and loans receivable are recorded net of allowances for uncollectible accounts and loans. These allowances are based on management's judgment of potential uncollectible amounts, based on historical experience and type of receivable. Accounts receivable primarily include tuition and

fee charges to students, charges to grant sponsors, amounts due from the Foundation and the State, and charges for auxiliary enterprise services provided to students, faculty and staff. Loans receivable are mainly funds borrowed by students under various federal and other loan programs.

Investments
All investments are stated at fair value in accordance with GASB statement 72, *Fair Value Measurement and Application.* Investments of publicly traded securities are reported at fair value, as established by the major securities markets. Money market investments (U.S. Treasury and Agency obligations) that have a remaining maturity of one year or less at the time of purchase are reported at amortized cost and approximate fair value. Investment income is recognized on an accrual basis. Purchases and sales of investments are accounted for on the trade date basis. Investment trade settlements receivable and payable represent investment transactions occurring on or before June 30, which settle after such date. Realized and unrealized gains and losses are reported as investment income or loss.

All securities purchased by external investment managers in the University's "liquidity" and "diversified" investment pools, with the exception of money market purchases and redemptions, are considered investments regardless of maturity date, as these investment pools are designed more for capital appreciation and have average durations of at least two years. Investments with maturities of less than one year are considered short-term or current.

Alternative investments are generally less liquid than publicly traded securities and include private equity, investments in real assets, and other strategies. These alternative investments are intended to reduce market risk, credit risk and interest rate risk. The University believes the carrying amounts of these holdings (net asset values) are reasonable estimates of the fair values as of year-end. Because these investments are not readily marketable, the estimated value is subject to uncertainty, and therefore, may differ from the value that would have been used had a ready market for the investment existed. Such difference could be material.

Inventories
Inventories - which consist principally of publications, general merchandise and other goods - are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Capital Assets and Collections
Capital assets include land, land improvements, infrastructure, buildings, machinery, equipment, software, library books, publications and construction in progress. They are recorded at cost at the date of acquisition, or acquisition value at the date of donation in the case of gifts. Building renovations that materially increase the value or extend the useful life of the structure are also capitalized. Normal repairs and maintenance are expensed in the year in which the expenses are incurred. The threshold for capitalizing moveable equipment with an estimated useful life of more than one year is $5,000. Using the straight-line method, capital assets are depreciated over their estimated useful lives; generally, 40 years for buildings, 30 years for land improvements and infrastructure, 15 years for library books and publications, and 5 to 10 years for machinery and equipment. The University does not capitalize works of art or historical treasures that are held for exhibition, education, research, and public service. These collections are not encumbered or sold for financial gain. Consequently, such collections are not recognized in the financial statements.
The capitalization threshold for the purchase of moveable equipment may be waived when the acquisition is related to a major project. Moveable equipment items attributable to a major project may be capitalized and depreciated over a 5 year useful life. A major project is defined as a project in which: (1) the total construction cost (building improvement, land improvement, infrastructure, etc.) is anticipated to be $100,000 or more and the moveable capital equipment expenditures are expected to be at least $100,000; or (2) although the construction costs are anticipated to be less than $100,000, the total project costs, including moveable equipment, are anticipated to be at least $200,000.

Perkins Loan Program
Funds provided by the United States government under the Federal Perkins Loan program are loaned to qualified students and re-loaned after collection. The Federal Perkins Loan program

expired on September 30, 2017. These funds could not be re-loaned after June 30, 2018 and are ultimately refundable to the government. A liability has been recorded, accordingly, in the accompanying Statement of Net Position, as prescribed by National Association of College and University Business Officers (NACUBO).

Compensated Absences
Compensated absences are comprised of vacation and sick leave benefits. Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to service already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes employees currently eligible to receive termination benefits and those identified as probable of receiving payment in the future.

Unearned Revenue
Unearned revenue primarily consists of the amounts received in advance from grant and contract sponsors that have not yet been earned under the terms of the agreement and amounts received in advance for tuition and fees not yet earned.

Deferred Outflows and Inflows of Resources
Deferred outflows of resources represent the consumption of resources that are applicable to a future reporting period but do not require any further exchange of goods or services. Deferred outflows of resources in the University's financial statements consist of the unamortized deferred refunding balance and pension and OPEB related balances.

Deferred inflows of resources represent an acquisition of resources that apply to a future period and will not be recognized as revenue until that time. Deferred inflows in the University's financial statements are related to pension and OPEB related balances.

Revenues and Expenses
Revenues and expenses are classified as operating or nonoperating. Operating revenues are resources primarily from exchange transaction activities. These include payments received for services, such as tuition and fees, and most grants and contracts. Nonoperating revenues are from non-programmatic sources and have the characteristics of nonexchange transactions. They include state appropriations, some federal and state grants, gifts, and investment income. Nearly all of the University's expenses are a result of exchange transactions, and therefore classified as operating expenses. The major recurring nonoperating expenses are net losses on the disposition of capital assets and interest expense on capital asset-related debt.

State Support
The University is a state-assisted institution of higher education which receives a student subsidy from the State of Ohio primarily based upon the number of successful degree and course completions. This subsidy is calculated annually by the Ohio Department of Higher Education, Ohio's higher education advising and coordinating board.

In addition to student subsidies, the State of Ohio provides funding for construction of major plant facilities. The funding is obtained from the issuance of general obligation bonds by the Ohio Public Facilities Commission (OPFC), which in turn results in construction and subsequent transfer of the facility to the University by the Ohio Department of Higher Education. Costs incurred during construction are included in construction in progress and recognized as capital appropriations. Upon completion of a facility, the Ohio Department of Higher Education turns control over to the University.

University facilities are not pledged as collateral for the revenue bonds. Instead, the bonds are supported by a pledge of monies in the Higher Education Bond Service Fund established in the custody of the Treasurer of State. If sufficient monies are not available from this fund, a pledge exists to assess a special student fee uniformly applicable to students in state-assisted institutions of higher education throughout the State. As a result of the above described financial assistance provided by the State to the University, outstanding debt issued by OPFC is not included in the University's financial statements.

Cost-Sharing Defined Benefit Pension Plans
The University participates in two cost-sharing, multiple-employer defined benefit pension plans, the Ohio Public Employees Retirement System (OPERS) and the State Teachers Retirement system of Ohio (STRS) (the Plans).

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from their fiduciary net positions have been determined on the same basis as reported by the Plans. 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.

Cost-Sharing Defined Benefit Other Postemployment Benefit Plans
The Plans also provide other postemployment benefits (OPEB) in addition to pension benefits. For purposes of measuring the net OPEB asset, liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plans and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the OPEB Plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Scholarship Allowances
Scholarship allowances represent aid awarded to the student in the form of reduced tuition and are computed and reported in the financial statements under the alternate method as prescribed by NACUBO. Financial aid in the form of a cash payment to the student is reported as scholarship and fellowship expense in the financial statements. Third party loans such as Federal Direct loans and certain aid awarded to the students by third parties are credited to the student's account as if the student made the payment.

Income Taxes
The University is exempt from federal income taxes under Section 115 of the Internal Revenue Code. However, certain revenues are considered unrelated business income and are taxable under Internal Revenue Code Sections 511 through 513.

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, liabilities, and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements
In order to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The following statements could be applicable to the University upon implementation in future reporting periods. The University continues to evaluate the impact of these statements.

GASB Statement No. 95 delayed the adoption of the following pronouncements by one year:
In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, originally effective for the University's fiscal year ending June 30, 2021, delayed to June 30, 2022. This Statement enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest costs incurred before the end of a construction period. This Statement

supersedes the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations, originally* effective for the University's fiscal year ending June 30, 2022, delayed to June 30, 2023. This Statement provides a single method for government issuers to report conduit debt obligations and related commitments. The definition of conduit debt obligations is broadened and clarified. Under this Statement, a government issuer will be required to recognize a liability if qualitative factors indicate that it is more likely than not that it will support one or more conduit debt service payments.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*, originally effective for the University's fiscal year ending June 30, 2021, delayed to June 30, 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement includes a variety of topics and includes specific provisions about various previously adopted and recently issued pronouncements.

In March, 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*, originally effective for the University's fiscal year ending June 30, 2021, delayed to June 30, 2022. The objective of this Statement is to address accounting and financial reporting implications from the replacement of the interbank offered rate (IBOR), resulting from global reference rate reform.

GASB Statement No. 95 delayed the adoption of the following pronouncement by eighteen months:
In June 2017, GASB issued Statement No. 87, *Leases*, originally effective for the University's fiscal year ending June 30, 2021, delayed to June 30, 2022. This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This pronouncement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset.

As of June 30, 2020, GASB had issued the following statements, which were not delayed with the issuance of GASB Statement No. 95. These statements could be applicable to the University upon implementation in future reporting periods. The University continues to evaluate the impact of these statements.

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, effective for the University's fiscal year ending June 30, 2023. This Statement will address issues, improve financial reporting, and provide uniform guidance on accounting and financial reporting for transactions meeting the definition of a public-private and public-public partnership arrangement (PPP) and availability payment arrangement (APA).

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for the University's fiscal year ending June 30, 2023. This Statement will improve the accounting and financial reporting by providing uniform guidance for transactions meeting the definition of a subscription-based information technology arrangement (SBITA). The Statement will require governments to report a subscription asset and subscription liability along with disclosing essential information about such arrangements.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, an Amendment of GASB Statements No.14 and No. 84, and a Supersession of GASB Statement No. 32*, effective for the University's fiscal year ending June 30, 2022. This Statement will enhance the information reported related to Section 457 plans and result in more consistent financial accounting for defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans.

The University adopted the following new accounting statements during fiscal year 2021. There was no significant impact on the financial statements related to the implementation of these statements:

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of the University. The focus of the criteria is generally on (1) whether the University is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists.

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement defines a majority equity interest and specifies that a majority equity interest that meets the definition of an investment should be measured using the equity method.

(2) Cash, Cash Equivalents and Investments

The classifications of cash, cash equivalents and investments in the financial statements are based on criteria set forth by GASB. Cash equivalents are defined to include investments with original maturities of three months or less. Consistent with this definition, University funds on deposit in STAROhio are classified as cash equivalents in the Statements of Net Position. However, for GASB Statement No. 3 disclosure purposes (see below), the funds in STAROhio are classified as investments.

Deposits

Under state law, the University's deposits must be secured by Federal Deposit Insurance and collateralized for amounts in excess of FDIC coverage. Collateral may be pledged or pooled. Pooled collateral may be held on the financial institution's premises or held by its trust department or agent on its behalf. The fair value of the pledged securities plus the federal deposit insurance must at all times equal one hundred five percent of the total amount of public deposits to be secured by the pooled securities. These securities may be held in the name of the University or the pledging bank by a holding or custodial bank that is mutually acceptable to both parties. The University does not have a deposit policy for custodial credit risk.

As of June 31, 2021 and 2020, the University's bank balances are $22,686,041 and $19,513,247, respectively. Of these balances, $21,125,324 and $10,537,078, respectively, are uninsured with collateral held by pledging banks not in the University's name.

At June 30, the carrying amount of deposits (book balances) is as follows:

	2021	2020
Petty cash	$ 42,987	$ 48,693
Demand deposits	18,091,270	8,227,924
Money market funds	869,561	8,032,959
Total	$ 19,003,818	$ 16,309,576

The difference in the carrying amount and bank balances is caused by items in-transit (primarily outstanding checks) and by cash on hand.

Investments - Fair Value

The University utilizes a discretionary model in which a fiduciary manager is responsible for investing the University's portfolio utilizing a fund of funds approach. This Investment Policy provides for the prudent investment of the University's assets in a manner which will meet three main objectives: safety, liquidity and return on investment. The Investment Policy parallels state law which requires an amount equal to at least twenty-five percent of the University's investment portfolio be invested in securities of the United States government or one of its agencies or instrumentalities, the treasurer of the State of Ohio's pooled investment program, obligations of the State of Ohio, or any political subdivision of the State of Ohio, certificates of deposit of any national bank located in the State of Ohio, written repurchase agreements with any eligible Ohio financial institution that is a member of the federal reserve system or federal home loan bank, money market funds or bankers' acceptances maturing in two hundred seventy days or less which are eligible for purchase by the federal reserve system.

The University categorizes its investments within the fair value hierarchy established by generally accepting accounting principles. Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) on the measurement date in the University's principal or most advantageous market. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Some investments are valued at net asset value (NAV) and are therefore not subject to the hierarchy classification.

The fair value of University investments at June 30 is as follows:

	2021				
	Totals	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
Investment in securities:					
Stocks and traded securities	$ 1,353,761	$ 1,353,761	$ -	$ -	$ -
State Treasury Asset Reserve of Ohio (STAROhio)	77,756,570	77,756,570	-	-	-
Mutual funds:					
Fixed income	18,056,448	18,056,448	-	-	-
Alternative assets:					
Private equity partnerships	11,088,579	-	-	-	11,088,579
Total investments in securities	108,255,358	97,166,779	-	-	11,088,579
Other investments:					
Real estate	3,200			3,200	
Total other investments	3,200	-	-	3,200	-
Total investments	$108,258,558	$ 97,166,779	$ -	$ 3,200	$11,088,579

	2020				
	Totals	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV
Investment in securities:					
Stocks and traded securities	$ 1,047,564	$ 1,047,564	$ -	$ -	$ -
State Treasury Asset Reserve of Ohio (STAROhio)	57,142,128	57,142,128	-	-	-
Mutual funds:					
Fixed income	3,062,663	3,062,663	-	-	-
Alternative assets:					
Private equity partnerships	9,098,051	-	-	-	9,098,051
Total investments in securities	70,350,406	61,252,355	-	-	9,098,051
Other investments:					
Real estate	3,200			3,200	
Total other investments	3,200	-	-	3,200	-
Total investments	$ 70,353,606	$ 61,252,355	$ -	$ 3,200	$ 9,098,051

The balance of deposits and investments reported above are included in the Statements of Net Position as follows:

	Year Ended June 30	
	2021	2020
Deposits	$ 19,003,818	$ 16,309,576
Investments	108,258,558	70,353,606
Total	$ 127,262,376	$ 86,663,182
Included in the Statements of Net Position		
Cash and cash equivalents	$ 96,760,388	$ 73,451,704
Long-term investments	30,501,988	13,211,478
Total	$ 127,262,376	$ 86,663,182

Balances held in STAROhio are included in the total fair value of investments for disclosure purposes. However, these balances are considered cash and cash equivalents for reporting on the Statements of Net Position.

The following presents a reconciliation of the fair value of investments reported above to the investments reported on the Statements of Net Position:

	Year Ended June 30	
	2021	2020
Total fair value of investments	$ 108,258,558	$ 70,353,606
State Treasury Asset Reserve (STAROhio)	77,756,570	57,142,128
Fair value of investments less STAROhio	$ 30,501,988	$ 13,211,478
Included in the Statements of Net Position		
Long-term investments	$ 30,501,988	$ 13,211,478
Total	$ 30,501,988	$ 13,211,478

Because alternative investments - hedge funds, private equity, distressed debt and private real estate – have no active market, they are valued using NAV which is based on information such as historical and current performance of the underlying assets; cash flow projections; liquidity and credit premiums required by a market participant; and financial trend analysis with respect to the individual fund manager. Furthermore the liquidity of these investments may be impacted by the lack of a present market for the interest in the funds, lock-up periods, redemption notice periods and limits to the frequency of redemptions.

The following table provides additional information for those assets valued using NAV:

	Fair Value June 30		Redemption	Redemption Notice	Unfunded
	2021	2020	Frequency	Period	Commitment
Alternative assets:					
Private equity	$11,088,579	$9,098,051	not liquid	not liquid	$ 1,702,121
Total	$11,088,579	$9,098,051			$ 1,702,121

For private equity, for which there is no active market, information such as historical and current performance of the underlying assets, cash flow projections, liquidity and credit premiums required by a market participant, and financial trend analysis with respect to the individual fund manager, are utilized in determining individual securities. Due to current market conditions as well as the limited trading activity of these securities, the market value of the securities is highly sensitive to assumption changes and market value volatility.

Approximately 73% of the University's private equity fund partnership is structured as a domestic partnership in which the University is a limited partner. The investment's objective is to achieve an attractive risk-adjusted return relative to other asset class alternatives through the identification and selection of a set of private assets managers across a broad spectrum of private equity, real estate, infrastructure and real assets whose stated terms are 5 to 7 years.

The remaining 27% of the University's private equity partnership is a domestic partnership for the purpose of making private equity investments. The partnership is typically invested in venture capital, growth equity and buyout funds focusing on oil and gas exploration, technology, healthcare and telecom sectors. The investments consist of nonmarketable limited partnership interests in a select group of nonregistered private investment partnerships for long term capital appreciation.

<u>Investments – Risks</u>

The various investments in stocks, securities, mutual funds and other investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the University. The Investment Policy has established asset allocations and permissible asset classes in order to minimize the various risks and the probability of loss. The Investment Policy provides for a portfolio comprised of mutual funds managed in accordance with the diversification and industry concentration restrictions set forth in the Investment Company Act of 1940 which provides, among other things, protection in terms of concentration of risk for issuers and for industry sectors.

Interest Rate Risk
The University's Investment Policy minimizes the risk of the loss of value due to changing interest rates through the use of target durations for each of the University's investment pools. The Cash Pool is maintained to meet the daily obligations of the University and consists of highly liquid instruments with little to no risk of loss of principal. The Liquidity Pool provides a source of funds in the event the Cash Pool is insufficient to meet the University's cash needs and maintains a weighted average life of less than five years. The Diversified Investment Pool provides the University an opportunity to earn a higher rate of return through investments with longer durations.

The maturities of the University's interest bearing investments at June 30 are as follows:

	2021 Investment Maturities (in years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10
Bond funds	$ 18,056,448	$ -	$ 18,056,448	$ -

	2020 Investment Maturities (in years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10
Bond funds	$ 3,062,663	$ -	$ 3,062,663	$ -

Credit Risk
Credit risk is the risk the issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. Credit quality information, commonly expressed in terms of credit ratings issued by nationally recognized rating organizations such as Moody's Investors Service; Standard & Poor's; or Fitch Ratings, provides a current depiction of potential variable cash flows and credit risk. The University's Investment Policy limits exposure to credit risk by limiting purchases of fixed income securities to no lower than AA for the Cash Pool and Liquidity Pool accounts. The vast majority of portfolio mutual fund holdings are required to invest in investment grade funds. The only exception to this represents those funds held as part of the high yield strategy. The allocation for this is targeted at three percent of the overall portfolio.

The University's credit risk at June 30 is as follows:

Investment Type	Total	2021 Credit Ratings AAA/Aaa	AA/Aa	A
State Treasury Asset Reserve (STAROhio)	$ 77,756,570	$ 77,756,570	$ -	$ -
Bond funds	18,056,448	-	4,514,061	13,542,387
Total	$ 95,813,018	$ 77,756,570	$ 4,514,061	$ 13,542,387

Investment Type	Total	2020 Credit Ratings AAA/Aaa	AA/Aa	A
State Treasury Asset Reserve (STAROhio)	$ 57,142,128	$ 57,142,128	$ -	$ -
Bond funds	3,062,663	-	3,062,663	-
Total	$ 60,204,791	$ 57,142,128	$ 3,062,663	$ -

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities in the possession of an outside party. As of June 30, 2021 and 2020, none of the University's investments were exposed to custodial, counterparty credit risk. The University's Investment Policy minimizes custodial credit risk through the use of mutual funds and other pooled asset portfolios transacted through national reputable brokerage firms protected by the Securities Investor Protection Corporation.

Concentration of Credit Risk

Concentration of credit risk is the risk associated with a lack of diversification. It is the risk of loss attributed to the magnitude of the University's investment in a single issuer. Investments are diversified within asset classes with the intent to minimize the risk of losses to the portfolio. As previously mentioned, concentration of credit risk is managed at the mutual fund level as required by the Investment Company Act of 1940. As of June 30, 2021 and 2020, the University has no reportable concentration of credit risk as no one single issuer constitutes more than five percent of the University's investment portfolio.

Foreign Currency Risk

Foreign currency risk relates to the possible adverse changes that exchange rates can have on the fair value of investments. The University's Investment Policy allows the fiduciary manager to invest in stocks, traded securities, and mutual funds with foreign investments as part of its Global Equity, Global Fixed Income, and Cash Equivalent Reserve asset classes. Private equity partnerships and equity mutual funds are subject to foreign currency exposures.

Investment Income (Loss)

The composition of investment income is as follows:

	Year Ended June 30 2021	2020
Net interest and dividend income	$ 250,715	$ 1,213,659
Realized gains on sales	7,100,793	1,652,300
Unrealized gains/(losses) in fair value	2,996,796	(253,473)
Total	$ 10,348,304	$ 2,612,486

(3) Accounts and Loans Receivable

The composition of accounts receivable at June 30 is as follows:

	2021	2020
Sponsor grants receivable	$ 18,123,650	$ 12,143,544
Student and student-related accounts	13,448,762	14,377,717
Wright State University Foundation	496,570	365,714
Parallax Advanced Research Corporation	2,543,851	2,848,336
Interest receivable	42,371	34,636
State appropriations	895,891	1,084,375
Other, primarily departmental sales and services	2,910,928	2,508,971
Total	38,462,023	33,363,293
Less: Allowance for doubtful accounts	1,831,000	1,770,000
Net accounts receivable	$ 36,631,023	$ 31,593,293

Loans receivable consist primarily of Perkins loans and are net of an allowance for doubtful loans of $2,258,0000 and $3,229,000 at June 30, 2021 and 2020. Federal capital contributions to the Perkins loan programs represent advances which are ultimately refundable to the federal government.

(4) Capital Assets

Capital assets activity for the years ended June 30, 2021 and 2020 is summarized as follows:

	Balance 7/1/2020	Additions	Retirements	Transfers	Balance 6/30/2021
Land	$ 3,326,378	$ $ 1,511,398	$ (90,640)	$ $ -	$ 4,747,136
Land improvements and infrastructure	63,240,842	2,605,493	-	-	65,846,335
Buildings	507,019,740	2,844,954	(7,809,360)	-	502,055,334
Machinery and equipment	77,999,808	2,845,412	(7,844,411)	-	73,000,809
Library books and publications	55,491,694	471,701	(104,669)	-	55,858,726
Construction in progress	-	-	-		-
Total	707,078,462	10,278,958	(15,849,080)	-	701,508,340
Less accumulated depreciation:					
Land improvements and infrastructure	30,138,891	1,934,901	-	-	32,073,792
Buildings	228,603,538	11,403,877	(5,737,063)	-	234,270,352
Machinery and equipment	66,281,823	3,433,688	(7,712,515)	-	62,002,996
Library books and publications	44,035,969	1,717,644	(104,669)	-	45,648,944
Total accumulated depreciation	369,060,221	18,490,110	(13,554,247)	-	373,996,084
Capital assets, net	$338,018,241	$(8,211,152)	$(2,294,833)	$ -	$327,512,256

	Balance 7/1/2019	Additions	Retirements	Transfers	Balance 6/30/2020
Land	$ 3,326,572	$ -	$ (194)	$ -	$ 3,326,378
Land improvements and infrastructure	62,185,995	1,418,001	(363,154)	-	63,240,842
Buildings	499,946,400	7,783,443	(710,103)	-	507,019,740
Machinery and equipment	76,302,038	3,216,338	(1,518,568)	-	77,999,808
Library books and publications	55,142,605	652,601	(303,512)	-	55,491,694
Construction in progress	309,054	-	(309,054)		-
Total	697,212,664	13,070,383	(3,204,585)	-	707,078,462
Less accumulated depreciation:					
Land improvements and infrastructure	28,099,396	2,039,495	-	-	30,138,891
Buildings	217,602,612	11,552,253	(551,327)	-	228,603,538
Machinery and equipment	63,212,346	4,499,743	(1,430,266)	-	66,281,823
Library books and publications	42,327,331	2,012,149	(303,511)	-	44,035,969
Total accumulated depreciation	351,241,685	20,103,640	(2,285,104)	-	369,060,221
Capital assets, net	$345,970,979	$(7,033,257)	$ (919,481)	$ -	$338,018,241

Other nonoperating expenses include an impairment loss of $309,054 for the year ended June 30, 2020, related to idle construction of the Woods Commons Building. In addition, $158,776 was recorded as a net loss related to the demolitions of the Rockafield House and the salt storage outbuildings for the year ended June 30, 2020. No impairments were identified for the year ended June 30, 2021.

In 2018, the University entered into a 15-year capital lease with Double Bowler, to lease the Agriculture and Water Quality Education Center building on the University’s Lake campus. The University contributed $1.5 million in capital improvements to the building funded through state capital appropriations. The total cost of the building approximated $3 million with the other $1.5 million in capital improvements financed by the related party through a bond issuance which was purchased by the Wright State University Foundation. In 2021, the University paid $1,187,885 to retire the capital lease in full.

In 2021, the University received title to land at the Lake Campus and land and buildings, at Calamityville, from Double Bowler. The University has recorded capital assets and other nonoperating income of $750,000 and $761,398, respectively.

(5) Noncurrent Liabilities

Activity for noncurrent liabilities for the years ended June 30, 2021 and 2020 is summarized as follows:

	Balance 07/01/2020	Additions	Reductions	Ending Balance 06/30/2021	Current Portion
Bonds, notes and capital lease purchase obligations:					
General obligation bonds	$ 50,558,053	$ -	$ 4,169,099	$ 46,388,954	$ 4,146,232
Notes payable	14,381,712	-	1,703,410	12,678,302	1,733,731
Capital lease	1,045,686	498,414	1,045,686	498,414	126,676
Total bonds, notes and capital lease	65,985,451	498,414	6,918,195	59,565,670	6,006,639
Other liabilities:					
Compensated absences	11,100,000	5,340,206	4,640,206	11,800,000	5,000,000
Refundable advances for Federal Perkins loans	5,659,310	-	1,120,960	4,538,350	1,047,727
Unearned revenue	23,573,825	106,278,376	107,497,912	22,354,289	21,924,090
Net pension liability	173,751,935	29,258	14,188,881	159,592,312	-
Net OPEB liability	40,144,542	725,936	40,870,478	-	-
Voluntary retirement incentive	3,410,958	8,121,133	1,330,987	10,201,104	5,615,974
Total other liabilities	257,640,570	120,494,909	169,649,424	208,486,055	33,587,791
Total noncurrent liabilities	$ 323,626,021	$ 120,993,323	$ 176,567,619	$ 268,051,725	$ 39,594,430

	Balance 07/01/2019	Additions	Reductions	Ending Balance 06/30/2020	Current Portion
Bonds, notes and capital lease purchase obligations:					
General obligation bonds	$ 54,578,756	$ -	$ 4,020,703	$ 50,558,053	$ 4,169,101
Notes payable	16,055,332	-	1,673,620	14,381,712	1,703,410
Capital lease	1,132,826	-	87,140	1,045,686	87,140
Total bonds, notes and capital lease	71,766,914	-	5,781,463	65,985,451	5,959,651
Other liabilities:					
Compensated absences	12,600,000	3,185,458	4,685,458	11,100,000	5,000,000
Refundable advances for Federal Perkins loans	8,640,865	-	2,981,555	5,659,310	1,306,535
Unearned revenue	24,483,783	124,630,171	125,540,129	23,573,825	22,768,422
Net pension liability	215,022,234	17,639,955	58,910,254	173,751,935	-
Net OPEB liability	41,837,509	9,482,671	11,175,638	40,144,542	-
Voluntary retirement incentive	579,951	3,038,536	207,529	3,410,958	1,385,267
Total other liabilities	303,164,342	157,976,791	203,500,563	257,640,570	30,460,224
Total noncurrent liabilities	$ 374,931,256	$ 157,976,791	$ 209,282,026	$ 323,626,021	$ 36,419,875

Unearned revenue received in advance from grant and contract sponsors and for tuition and fees were $4 million and $15.5 million, respectively, for the year ended June 30, 2021 and $3.8 million and $16.1 million, respectively, for the year ended June 30, 2020.

The University recognized a liability in the amount of $4,538,350 and $5,659,310 for the refundable advances associated with the Federal Perkins Loan program expiration at June 30, 2021 and 2020, respectively. This amount reflects the federal portion of the loans due to be returned to the federal government.

Bonds payable on June 30, 2021 consist of Series 2011 and 2012 General Obligation Serial and Term bonds. The maturity dates, interest rates, and the outstanding principal balances of capital activities at June 30, 2021 are as follows:

Description	Maturity Dates	Interest Rates	Outstanding Principal	Unamortized Premium	Total
Bonds payable:					
Series 2011A	2021-2031	4.00% - 5.00%	$32,040,000	$1,952,470	$33,992,470
Series 2011B	2021-2023	3.65% - 3.75%	335,000	-	335,000
Series 2012	2021-2032	3.00% - 5.00%	11,385,000	676,484	12,061,484
Total bonds payable			$43,760,000	$2,628,954	$46,388,954
Notes payable:					
Ohio Air Quality Development:					
Series A	2021-2024	1.78%	4,365,602	-	4,365,602
Series B	2024-2028	4.16%	8,312,700	-	8,312,700
Total notes payable			12,678,302	-	12,678,302
Capital lease	2021-2025	2.31% - 5.37%	498,414	-	498,414
Total			$56,936,716	$2,628,954	$59,565,670

The scheduled maturities of bonds, notes, and capital lease payable for the next five years and for the subsequent periods of five years are as follows:

Year Ended June 30	Principal	Interest	Total
2022	$ 5,720,407	$ 2,472,737	$ 8,193,144
2023	5,941,268	2,262,295	8,203,563
2024	5,972,677	2,042,161	8,014,838
2025	5,992,342	1,813,988	7,806,330
2026	6,108,491	1,548,197	7,656,688
2027-2031	26,571,531	3,660,823	30,232,354
2032	630,000	31,500	661,500
Total	$ 56,936,716	$ 13,831,702	$ 70,768,418

Interest expense incurred on indebtedness for the years ended June 30, 2021 and 2020 was $2,376,674 and $2,606,279, respectively. Deferred outflows of resources associated with the 2012 bond issuance and refunding of the 2004 bonds were $236,059 and $265,565 at June 30, 2021 and 2020, respectively.

All general receipts of the University, except for state appropriations, are pledged for payment of the General Obligation Bonds. Available receipts have been pledged for the Series A and Series B notes payable. The notes payable are subordinated to the University's obligations to pay debt service on all General Obligation Bonds.

The Series 2013B Note is related to an Ohio Air Quality Development Authority Qualified Energy Conservation Bond (QECB) which is eligible for a 70% federal rebate based on the Qualified Tax Credit Rate as of the bond sale date (4.6%). The benefit of this rebate has been assigned to the University. The rebates for the 2009 Bonds and the 2013B Note were $253,119 and $251,876 for the years ended June 30, 2021 and 2020, respectively. The rebates were reported as Other Nonoperating Revenues and do not reduce the amount reported as interest expense for the year. Likewise, the amounts reported above for future interest expense have not been reduced by the federal rebates anticipated for future years. The University expects to receive approximately $1.5 million in future federal rebates.

The outstanding bonds and notes payable contain provisions, that in an event of default, all principal and interest payments may become due immediately.

Related to the notes payable, in the event of (1) an acceleration of payment (2) a determination of QECB Disqualification or (3) enactment of legislation reversing the tax-exempt treatment of interest on the underlying tax-exempt bond issuances, the notes payable will be redeemed at 102%.

(6) Operating Leases

The University leases certain properties and equipment under operating lease agreements. Facilities and equipment under these agreements are not recorded on the Statements of Net Position. Rent expense for the years ended June 30, 2021 and 2020 was $1,464,777 and $1,294,181 respectively.

Future minimum payments for all material operating leases as of June 30, 2021, are as follows:

2022	$ 1,351,764
2023	436,929
2024	449,139
2025	474,195
2026	67,531
Total minimum lease payments	$ 2,779,558

(7) Pension Plans

Pensions and Net Pension Liability

Pensions are a component of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions are provided to an employee - on a deferred payment basis - as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that have occurred already.

GASB No. 68 requires governmental employers to report a net pension liability on the Statement of Net Position. The net pension liability represents the University's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position (assets available to pay the pension benefits). The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

GASB 68 assumes the net pension liability for each plan is solely the obligation of the employers because (1) the employer's benefit from the employee services, and (2) state statute requires all funding to come from these employers. The University cannot control benefit terms or the manner in which pensions are financed; however, the University does receive the benefit of employee services in exchange for compensation including pension.

Plan Descriptions

University faculty are provided pensions through the State Teachers Retirement System of Ohio (STRS). Substantially all other University employees are provided pensions through the Ohio Public

Employees Retirement System (OPERS). Both OPERS and STRS are statewide cost-sharing multiple employer defined benefit pension plans. Authority to establish and amend benefits for OPERS and STRS are authorized by Chapters 145 and 3307, respectively, of the Ohio Revised Code. Both OPERS and STRS issue publicly available financial reports. The OPERS report can be obtained at https://www.opers.org/financial/reports.shtml. The STRS report can be obtained at https://www.strsoh.org/employer/publications.html#other.

OPERS and STRS each offer three separate retirement plans: a defined benefit plan, a defined contribution plan, and a combined plan.

Defined Benefit Plans pay service retirement benefits using a fixed formula based on age, years of service and salary. In addition to service retirement, participants are eligible for disability and survivor benefits.

Defined Contribution Plans are member-directed, optional retirement plans available to new members. Participants allocate both member and employer contributions in investment choices provided by the plans. Retirement benefits are based on the member’s account value.

Combined Plans offer features of both a defined benefit plan and a member-directed, defined contribution plan. In the combined plans, employee contributions are invested in self-directed investments, and the employer contribution is used to fund a reduced defined benefit in addition to disability and survivor benefits.

Benefits Provided

OPERS and STRS defined benefit plans provide retirement, disability, annual cost-of-living adjustments, and survivor benefits for plan members and beneficiaries. The benefit provisions stated in the following paragraphs are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public service.

OPERS Benefits

Under OPERS, retirement benefits are specific to each plan and members must meet the eligibility requirements based on their age and years of service within the plan. Retirement eligibility also varies by division and transition group.

Defined Benefit members who were eligible to retire before January 7, 2023 under law in effect prior to SB 343 are included in transition Groups A and B. Group C includes those members who are not in either of the other groups and members who were hired on or after January 7, 2013. University members in transition Group A are eligible for full retirement benefits at any age with 30 years of service or at age 65 with 5 years of service. Group B members are eligible for full benefits at age 52 with 31 years of service, at any age with 32 years of service, or at age 66 with 5 years of service. Group C members are eligible for full benefits at age 55 with 32 years of service or at age 67 with 5 years of service. Members in Groups A and B are eligible for retirement with reduced benefits at age 60 with 5 years of service credit or at age 55 with 25 or more years of service credit.

Members of Group C are eligible for reduced retirement benefits at age 57 with 25 years of service or at age 62 with 5 years of service.

Under the Traditional Plan (the defined benefit plan), the annual benefit for Groups A and B is based on 2.2% of final average salary (FAS) multiplied by the actual years of service for the first 30 years of service credit and 2.5% for years of service in excess of 30 years. For Group C, the annual benefit applies a factor of 2.2% for the first 35 years and a factor of 2.5% for the years of service in excess of 35. FAS represents the average of the three highest years of earnings over a member’s career for Groups A and B. FAS for Group C is based on the average of the five highest years of earnings over a member’s career.

The OPERS law enforcement program consists of two separate divisions: Law Enforcement and Public Safety. Both groups of members are eligible for special retirement options under the Traditional Pension Plan and are not eligible to participate in the Member-Directed Defined Contribution or Combined plans. Public Safety Group members of Groups A and B may file an application for full retirement benefits at age 48 or older with 25 or more years of credited service or at age 52 or older with 15 or more years of credited service. Public Safety Group C is eligible for benefits at age 52 or older with 25 years or at age 56 or older with 15 years. Those members classified as Law Enforcement officers are eligible for full retirement as follows: for Group A, at age 52 or older with 15 or more years of credited service; for Group B, at age 48 or older with 25 years or at age 52 or older with 15 years of service; and for Group C, at age 48 or older with 25 years of service or at age 56 with 15 years of service. Annual benefits under both divisions are calculated by multiplying 2.5% of FAS by the actual years of service for the first 25 years of service credit, and 2.1% of FAS for each year of service over 25 years.

In the Combined Plan, the benefit formula for the defined benefit component of the plan for University members in transition Groups A and B applies a factor of 1% to the member's FAS for the first 30 years of service. A factor of 1.25% is applied to years of service in excess of 30. The benefit formula for transition Group C applies a factor of 1% to the member's FAS for the first 35 years of service and a factor of 1.25% is applied to years in excess of 35. These options also permit early retirement with a reduced benefit as early as age 48 under qualifying circumstances.

Members of the Defined Benefit and Combined Plans who become disabled at any age with 60 contributing months will be eligible for disability benefits until a determined age. Law enforcement officers are immediately eligible for disability benefits if disabled by an on-duty illness or injury. Members participating in the Defined Contribution Plan are not eligible for disability benefits. Disability benefits are determined in the same manner as retirement benefits.

After a benefit recipient retiring under the Traditional Pension Plan has received benefits for 12 months, an annual cost-of-living adjustment of 3% is provided on the member's base benefit. Members retiring under the Combined Plan receive an annual cost-of-living adjustment of 3% on the defined benefit portion of their benefit.

STRS Benefits
Members of the Defined Benefit plan are eligible for full retirement benefits at any age with 30 years of service or at age 65 with five years of service. Age and service requirements for full retirement benefits increased effective August 1, 2015 and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026. Employees are eligible to retire with reduced benefits at age 60 with five years of qualifying service credit, at age 55 with 25 years of service, or with 30 years of service regardless of age. Age and service requirements for reduced retirement benefits increased effective August 1, 2015 and will continue to increase periodically until age 55 with 29 years of service on August 1, 2021.

Prior to August 1, 2015, benefits under the Defined Benefit Plan benefits were based on 2.2% of FAS for the three highest years of earnings, multiplied by years of total Ohio service credit and the percentage increased if the member has 35 or more years of contributing service credit. Effective August 1, 2015, benefits are now based on an annual amount equal to 2.2% of FAS for the five highest years of earnings, multiplied by all years of service. Under the Combined Plan, benefits are based on the balance in the member's defined contribution account plus an annual amount equal to 1% of FAS for the three highest paid years multiplied by years of total Ohio service credit. Effective August 1, 2015, FAS is the average of the member's five highest salary years.

A Defined Benefit Plan or Combined Plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing the individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits. Disability benefits are determined in the same manner as retirement benefits.

Under the Defined Benefit Plan, members will receive an annual cost of living adjustment of 2% beginning on the fifth anniversary of retirement. Under the Combined Plan, a cost of living adjustment is not available on the service retirement benefit. For disability and survivor benefits, the basic benefit is increased each year by 2% of the original base benefit.

Contributions

Ohio Revised Code Chapters 145 and 3307 set the rates for employer and employee contributions for OPERS and STRS, respectively. Contribution rates can only be modified by the state legislature.

OPERS Contributions
Under OPERS, the employee contribution rate for the plan years ended December 31, 2020 and 2019 was 10% for all employees with the exception of law enforcement and public safety, which are 13% and 12%, respectively. The employer contribution rate is 14% for all employees with the exception of law enforcement and public safety, whose rate is 18.1%.

For Member-Directed Plans, for the fiscal years ended June 30, 2021 and 2020, 11.56% was paid into the member's member-directed account and the remaining 2.44% was paid to OPERS to cover unfunded liabilities, as required by state legislation. The University's contributions to OPERS were $5,778,670 and $6,537,189 for the fiscal years ended June 30, 2021 and 2020, respectively. The University's contributions were equal to the required contributions for each year as set by statestatute.

STRS Contributions
Under STRS plans, the employee contribution rate was 14% for the years ended June 30, 2021 and 2020. Under the Combined Plan, 2.0% of the employee contributions were used to fund the defined benefit for the years ended June 30, 2021 and 2020, respectively. The employer contribution rate is 14%. Under the Defined Contribution Plan, 4.47% of the employer contribution is used to amortize the unfunded actuarial accrued liability of the defined benefit plan. The University's contributions to STRS for the years ended June 30, 2021 and 2020, respectively, were $7,840,601 and $8,553,268. The University's contributions were equal to the required contributions as set by state statute.

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

At June 30, 2021 and 2020, respectively, the University reported liabilities of $159,592,312 and $173,751,935 for its proportionate share of the OPERS and STRS net pension liabilities which were measured as of December 31, 2020 and 2019 and June 30, 2020 and 2019, respectively. The total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of those respective dates. The University's proportion of the net pension liabilities for STRS as well as the OPERS Combined Plan were based on the University's share of contributions to each plan relative to the total employer contributions received from all participating employers of each plan. The calculation of proportionate share for the Member-Directed Plan is based on employer contributions to the plan as contributions specific to purchased defined benefit annuities are identifiable only to retirees purchasing the annuities. The University's proportion of the net pension liability for the OPERS Traditional Plan was based on the combined University employer and member contributions relative to the total combined employer and member contributions received from all participating employers and members of the plan.

Information for each plan's proportionate share and pension expense/(revenue) for the years ended June 30, 2021 and 2020 is as follows:

	OPERS	STRS	Total
Fiscal Year Ended 6/30/2021:			
Measurement date	December 31, 2020	June 30, 2020	
Proportionate share of the net pension liability	$ 37,515,091	$ 122,077,221	$ 159,592,312
Proportion of the net pension liability	0.25870817%	0.50452551%	
Pension expense / (revenue)	$ (10,795,614)	$ 11,956,256	$ 1,160,642
Fiscal Year Ended 6/30/2020:			
Measurement date	December 31, 2019	June 30, 2019	
Proportionate share of the net pension liability	$ 54,023,552	$ 119,728,383	$ 173,751,935
Proportion of the net pension liability	0.27628762%	0.54140464%	
Pension expense / (revenue)	$ (5,165,991)	$ 1,707,700	$ (3,458,291)

At June 30, 2021 and 2020, the University reports deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	STRS	Total
Fiscal Year Ended 6/30/2021:			
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 86,321	$ 301,542	$ 387,863
Net effect of changes in assumptions	76,461	8,843,193	8,919,654
University contributions subsequent to the measurement date	2,587,378	7,840,601	10,427,979
Net effect of change in proportionate share	159,024	-	159,024
Total	**$ 2,909,184**	**$ 16,985,336**	**$ 19,894,520**
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 1,825,203	$ 864,988	$ 2,690,191
Net effect of changes in assumptions	-	-	-
Net difference between projected and actual earnings on pension plan investments	15,655,829	7,845,506	23,501,335
Net effect of change in proportionate share	3,602,211	21,456,627	25,058,838
Total	**$ 21,083,243**	**$ 30,167,121**	**$ 51,250,364**

	OPERS	STRS	Total
Fiscal Year Ended 6/30/2020:			
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 91,588	$ 1,180,671	$ 1,272,259
Net effect of changes in assumptions	3,299,365	17,686,388	20,985,753
University contributions subsequent to the measurement date	2,826,972	8,553,268	11,380,240
Net effect of change in proportionate share	164,418	-	164,418
Total	**$ 6,382,343**	**$ 27,420,327**	**$ 33,802,670**
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 921,500	$ 651,753	$ 1,573,253
Net difference between projected and actual earnings on pension plan investments	11,780,270	6,869,947	18,650,217
Net effect of change in proportionate share	6,141,783	23,472,996	29,614,779
Total	**$ 18,843,553**	**$ 30,994,696**	**$ 49,838,249**

As of June 30, 2021 and 2020, the University reported $2,587,378 and $2,826,972, respectively, as deferred outflows of resources related to pensions resulting from University contributions to OPERS made subsequent to the measurement date. As of June 30, 2021 and 2020, the University reported deferred outflows of resources related to pensions of $7,840,601 and $8,553,268, respectively, resulting from University contributions to STRS made subsequent to the measurement date. These contributions will be/(were) recognized as reductions of the net pension liabilities in the years ending/ended June 30, 2022 and 2021, respectively. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	OPERS	STRS	Total
2022	$ (9,955,407)	$ (7,840,862)	$ (17,796,269)
2023	(2,399,573)	(8,035,738)	(10,435,311)
2024	(6,415,324)	(3,360,394)	(9,775,718)
2025	(2,042,982)	(1,785,392)	(3,828,374)
2026	16,432	-	16,432
Thereafter	35,417	-	35,417
Total	**$ (20,761,437)**	**$ (21,022,386)**	**$ (41,783,823)**

Actuarial Assumptions

OPERS

The total pension liabilities in the December 31, 2020 and 2019 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

2020:

Inflation	3.25%
Salary increases	3.25% – 10.75%, including inflation

Investment rate of return 7.2%, net of pension plan investment expense, including inflation

2019:
Inflation 3.25%
Salary increases 3.25% – 10.75%, including inflation
Investment rate of return 7.2%, net of pension plan investment expense, including inflation

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The OPERS Board of Trustees sets target allocations as well as minimum and maximum allowable allocations, or ranges, surrounding each asset class target. The purpose of these ranges is to appropriately and cost-effectively balance the Board’s investment policy with the investment strategies pursued over shorter time periods. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the plan years ended December 31, 2020 and 2019 are summarized in the following table:

	2020		2019	
OPERS Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	25%	1.32%	25%	1.83%
Domestic Equity	21%	5.64%	19%	5.75%
International Equity	23%	7.36%	21%	7.66%
Real Estate	10%	5.39%	10%	5.20%
Private Equity	12%	10.42%	12%	10.70%
Other Investments	9%	4.75%	13%	4.98%
Total	100%		100%	

STRS
The total pension liabilities in the June 30, 2020 and 2019 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

2020:
Inflation 2.50%
Salary increases 12.50% at age 20 to 2.50% at age 65
Investment rate of return 7.45%, net of pension plan investment expense, including inflation

2019:

Inflation	2.50%
Salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of pension plan investment expense, including inflation

Post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Tables, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Tables with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

The actuarial assumptions used in the June 30, 2020 and 2019 valuations were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

The long-term expected rate of return on pension plan investments was determined by STRS's investment consultant by developing best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) for each major asset class. The STRS Board of Trustees sets target allocations as well as minimum and maximum allowable allocations, or ranges, surrounding each asset class target. The purpose of these ranges is to appropriately and cost-effectively balance the Board's investment policy with the investment strategies pursued over shorter time periods. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class for the plan years ended June 30, 2020 and 2019 are summarized in the following table:

	2020		2019	
STRS Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	28%	7.35%	28%	7.35%
International Equity	23%	7.55%	23%	7.55%
Alternatives	17%	7.09%	17%	7.09%
Fixed Income	21%	3.00%	21%	3.00%
Real Estate	10%	6.00%	10%	6.00%
Liquidity Reserves	1%	2.25%	1%	2.25%
Total	100%		100%	

Discount Rates

The discount rate used to measure the total pension liabilities for OPERS was 7.2% for the plan years ended December 31, 2020 and 2019. The discount rate used to measure the total pension liabilities for STRS was 7.45% for plan years ended June 30, 2020 and 2019. The projection of cash flows used to determine the discount rates assumed employee and University contributions will be made at the statutorily required rates, as actuarially determined. Based on those assumptions, the pension plans' fiduciary net positions were projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the respective long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of The University's Proportionate Share of The Net Pension Liability to Changes in The Discount Rate

Net pension liability is sensitive to changes in the discount rate. To illustrate the potential impact, the University's proportionate share of the net pension liabilities calculated using the discount rate of 7.2% for OPERS for 2021 and 2020, and 7.45% for STRS for 2021 and 2020, respectively, is compared to what the University's proportionate share of the net pension liabilities would be if calculated using a discount rate 1 percentage point lower (6.2% for OPERS and 6.45% for STRS) or 1 percentage point higher (8.2% for OPERS and 8.45% for STRS) than the current rate.

The following table provides the results of the sensitivity analysis at June 30:

	2021		
	1% Decrease	Current Discount Rate	1% Increase
OPERS Range	-6.20%	-7.20%	-8.20%
STRS Range	-6.45%	-7.45%	-8.45%
University's proportionate share:			
OPERS net pension liability	$ 72,697,942	$ 37,515,091	$ 8,283,613
STRS net pension liability	173,816,710	122,077,221	78,232,314
Total	**$ 246,514,652**	**$ 159,592,312**	**$ 86,515,927**

	2020		
	1% Decrease	Current Discount Rate	1% Increase
OPERS Range	-6.20%	-7.20%	-8.20%
STRS Range	-6.45%	-7.45%	-8.45%
University's proportionate share:			
OPERS net pension liability	$ 89,779,671	$ 54,023,552	$ 24,003,807
STRS net pension liability	174,969,693	119,728,383	72,963,784
Total	**$ 264,749,364**	**$ 173,751,935**	**$ 96,967,591**

Pension Plan Fiduciary Net Position

Detailed information about OPERS and STRS fiduciary net position is available in the separately issued financial reports. Financial reports for OPERS may be obtained online at www.opers.org or by writing to Ohio Public Employees Retirement System, Director-Finance, 277 East Town Street, Columbus, Ohio 43215-4642. Financial reports for STRS may be obtained at www.strsoh.org or by writing to State Teachers Retirement System of Ohio, Attn: Chief Financial Officer, 275 E. Broad St., Columbus, OH 43215-3771.

Alternative Retirement Plan (ARP) Contributions

Certain full-time University staff and faculty have the option to choose the ARP in place of OPERS or STRS. The ARP is a defined contribution plan which provides employees with the opportunity to establish individual retirement accounts with a defined group of investment options, with each participant having control of the assets and investment options associated with those assets. The administrators of the plan are the providers of the plan investment options. Authority to establish and amend benefits and contribution requirements for the ARP is provided by state statute per the Ohio Revised Code.

Under the provisions of ARP, the required contribution rate for plan participants for employees who would otherwise participate in OPERS was 10% of the employees' covered compensation for the years ended June 30, 2021 and 2020. The required rates for plan participants who would otherwise participate in STRS were 14% for the years ended June 30, 2021 and 2020. Effective July 1, 2017, the University's contributions to a participating faculty member's account and to STRS are 9.53% and 4.47% of a participant's compensation, respectively. Prior to July 1, 2017, those rates were 9.5% and 4.5%, respectively. The University's contributions to a participating staff member's account and to OPERS were 13.23% and 0.77% of a participant's compensation, respectively through December 31, 2016. Effective July 1, 2017, the contribution rates to a participating staff member's account and to OPERS are 11.56% and 2.44%, respectively. Plan participants' contributions were $6,384,358 and $7,082,093, and the University's contributions to the plan amounted to $5,195,647 and $5,859,399 for the years ended June 30, 2021 and 2020, respectively. In addition, the amounts contributed to STRS by the University on behalf of ARP participants were $1,517,063 and $1,595,327 for the years ended June 30, 2021 and 2020, respectively. The amounts contributed to OPERS by the University on behalf of ARP participants were $402,774 and $528,041 for the years ended June 30, 2021 and 2020, respectively.

Payables to the Pension Plans
At June 30, 2021 and 2020, the University reported payables of $462,500 and $556,000 to OPERS and $1,210,301 and $1,321,130 to STRS Ohio for the outstanding amounts of contributions to the pension plans required for the years ended June 30, 2021 and 2020, respectively.

(8) Other Postemployment Benefits (OPEB)

Plan Descriptions

The University contributes to the Ohio Public Employees Retirement System (OPERS) and the State Teachers Retirement System of Ohio (STRS). STRS and OPERS are statewide cost-sharing multiple-employer retirement plans that offer pension and other postemployment benefits (OPEB) covering substantially all faculty and staff. Both OPERS and STRS are administered by each plan's board of trustees appointed by the governor of Ohio or by plan member elections. The legislature of the state of Ohio maintains the authority to establish and amend benefits for both plans as authorized by Chapters 145 and 3307 of the Ohio Revised Code. Both STRS and OPERS issue publicly available financial reports. The OPERS report can be obtained at https://www.opers.org/financial/reports.shtml. The STRS report can be obtained at https://www.strsoh.org/employer/publications.html#other.

Benefits Provided

OPERS Benefits
OPERS provides post-employment health care benefits to eligible members of the Traditional and Combined pension plans with OPEB funding assets accumulated in a single health care trust (the 115 Trust.) Coverage under the current program includes hospitalization, medical expenses, and prescription drugs. Prior to January 1, 2015, 10 or more years of service were required to qualify for health care coverage. Beginning January 1, 2015, generally, members must be at least age 60 with 20 years of qualifying service credit to qualify for health care coverage or 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefits is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB to its eligible members and beneficiaries.

Beginning in 2016, OPERS Traditional Pension Plan and Combined Plan retirees enrolled in Medicare A and B were eligible to participate in the OPERS Medicare Connector (Connector). The Connector, a vendor selected by OPERS, assists eligible retirees in the selection and purchase of

Medicare supplemental coverage through the Medicare market. Retirees that purchase supplemental coverage through the Connector may receive a monthly allowance in their Health Reimbursement Account (HRA) that can be used to reimburse eligible health care expenses.

STRS Benefits
STRS provides access to health care coverage to eligible retirees who participated in the Traditional or Combined Plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and reimbursement of a portion of the Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. Pursuant to the Ohio Revised Code, the STRS Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan.

All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Additionally, Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows OPERS and STRS Ohio to recover part of the cost for providing prescription coverage since all eligible health care plans include creditable prescription drug coverage.

<u>Contributions</u>

The Ohio state legislature as authorized by Chapters 145 and 3307 of the Ohio Revised Code has the authority to establish and amend the contribution requirements of the University for OPERS and STRS. Under Ohio law, funds to pay health care costs are permitted but not mandated to be deducted from employer contributions.

OPERS Contributions
Under OPERS, the statutorily required employee contribution rate for the plan years ended December 31, 2020 and 2019 was 10% of their annual pay with the exception of law enforcement and public safety, which was 13% and 12%, respectively. The University's statutorily required contribution rate including pensions and OPEB for the fiscal years ended June 30, 2021 and 2020 was 14% of annual payroll with the exception of law enforcement and public safety, whose rate was 18.1%, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The portion of employer contributions allocated to health care for members in the Traditional Plan and Combined Plan was an effective rate of 0.0% for the years ended June 30, 2021 and 2020, respectively. For the years ended June 30, 2021 and 2020, contributions to the OPEB Plan from the University were $0.

STRS Contributions
The STRS statutorily required employer and employee contribution rate was 14% of covered payroll for each party for the years ended June 30, 2021 and 2020, respectively. Of the 14% employer contribution rate, no contribution amounts were allocated to postemployment health care for 2021 or 2020.

<u>OPEB Assets, Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB</u>

At June 30, 2021 and 2020, respectively, the University reported an asset of $4,811,014 and liability of $40,144,542 for its proportionate share of the OPERS net OPEB assets and liabilities measured as of December 31, 2020. At June 30, 2021 and 2020, respectively, the University reported assets of $8,867,026 and $8,966,960 for its proportionate share of the STRS net OPEB assets measured as of June 30, 2020. The total OPEB asset/liability used to calculate the net OPEB asset/liability was determined by actuarial valuations as of those respective dates. The University's proportions of the net OPEB assets/liabilities for OPERS and STRS were based on actual University employer contributions to the Plans during the respective measurement periods in relation to total employer contributions to the Plans for the same periods.

Information for each plan's proportionate share and pension expense/(revenue) for the years ended June 30, 2021 and 2020 is as follows:

	OPERS	STRS	Total
Fiscal Year Ended 6/30/2021:			
Measurement date	December 31, 2020	June 30, 2020	
Proportionate share of the net OPEB asset	$ (4,811,014)	$ (8,867,026)	$ (13,678,040)
Proportion of the net OPEB asset	0.270042%	0.50452551%	
OPEB expense / (revenue)	$ (33,436,325)	$ (829,535)	$ (34,265,860)
Fiscal Year Ended 6/30/2020:			
Measurement date	December 31, 2019	June 30, 2019	
Proportionate share of the net OPEB liability (asset)	$ 40,144,542	$ (8,966,960)	$ 31,177,582
Proportion of the net OPEB liability (asset)	0.29063716%	0.54140463%	
OPEB expense / (revenue)	$ 1,523,965	$ (2,210,025)	$ (686,060)

At June 30, 2021 and 2020, the University reports deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS	STRS	Total
Fiscal Year Ended 6/30/2021:			
Deferred Outflows of Resources			
Differences between expected and actual experience	$ -	$ 766,707	$ 766,707
Net effect of changes in assumptions	2,545,564	157,069	2,702,633
Net difference between projected and actual earnings on OPEB plan investments	-	215,358	215,358
Total	$ 2,545,564	$ 1,139,134	$ 3,684,698
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 4,446,752	$ 1,828,526	$ 6,275,278
Net effect of changes in assumptions	7,795,285	9,943,341	17,738,626
Net difference between projected and actual earnings on OPEB plan investments	2,639,116	-	2,639,116
Net effect of change in proportionate share	2,721,618	2,227,795	4,949,413
Total	$ 17,602,771	$ 13,999,662	$ 31,602,433

Fiscal Year Ended 6/30/2020:	OPERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	$ 1,361	$ 1,022,273	$ 1,023,634
Net effect of changes in assumptions	6,382,281	188,483	6,570,764
Total	$ 6,383,642	$ 1,210,756	$ 7,594,398
Deferred Inflows of Resources			
Differences between expected and actual experience	$ 3,676,837	$ 502,965	$ 4,179,802
Net effect of changes in assumptions	-	11,086,085	11,086,085
Net difference between projected and actual earnings on OPEB plan investments	2,082,038	705,735	2,787,773
Net effect of change in proportionate share	4,162,743	2,705,968	6,868,711
Total	$ 9,921,618	$ 15,000,753	$ 24,922,371

At June 30, 2021, the University reported no deferred outflows of resources related to OPEB resulting from University contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021, as no portion of the employer contributions to OPERS or STRS were allocated to health care. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB at June 30, 2021, will be recognized in OPEB expense as follows:

Year Ended June 30	OPERS	STRS	Total
2022	$ (8,517,699)	$ (3,262,924)	$ (11,780,623)
2023	(5,062,160)	(2,979,075)	(8,041,235)
2024	(1,175,416)	(2,891,131)	(4,066,547)
2025	(301,932)	(2,821,518)	(3,123,450)
2026	-	(468,824)	(468,824)
Thereafter	-	(437,056)	(437,056)
Total	$ (15,057,207)	$ (12,860,528)	$ (27,917,735)

Actuarial Assumptions

OPERS

The total OPEB liabilities in the December 31, 2019 and 2018 actuarial valuations rolled forward to the measurement dates of December 31, 2020 and 2019 were determined using the following actuarial assumptions, applied to all periods included in the measurement:

2020:

Inflation	3.25%
Salary increases	3.25% - 10.75%, including inflation
Health care cost trend rates	8.50% initial, 3.50% ultimate in 2035

Investment rate of return 6.00%

2019:
Inflation 3.25%
Salary increases 3.25% - 10.75%, including inflation
Health care cost trend rates 10.50% initial, 3.5% ultimate in 2030
Investment rate of return 6.00%

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the PR-2014 Disabled mortality table for males and females, adjusted for mortality back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The long-term expected rate of return on OPEB Plan investments was determined using a building Block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the plan years ended December 31, 2020 and 2019 are summarized in the following table:

	2020		2019	
OPERS Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	34%	1.07%	36%	1.53%
Domestic equity	25%	5.64%	21%	5.75%
REITs	7%	6.48%	6%	5.69%
International equity	25%	7.36%	23%	7.66%
Other investments	9%	4.02%	14%	4.90%
Total	100%		100%	

STRS
The total OPEB assets/liabilities in the June 30, 2020 and 2019 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

2020:
Inflation 2.50%
Salary increases 12.50% at age 20 to 2.50% at age 65
Health care cost trend rates (6.69%) - 11.87% initial, 4.0% ultimate
Investment rate of return 7.45%, net of investment expense, including inflation

2019:

Inflation	2.50%
Salary increases	12.50% at age 20 to 2.50% at age 65
Health care cost trend rates	4.93% - 9.62% initial, 4.0% ultimate
Investment rate of return	7.45%, net of investment expense, including inflation

Post-retirement mortality rates are based on the RP-2014 Annuitant Mortality Tables with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Tables, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Tables with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

The actuarial assumptions used in the June 30, 2020 and 2019 valuations were based on the results of a five-year period actuarial experience study ended June 30, 2016.

The long-term expected rate of return on OPEB Plan investments was determined by STRS Ohio's investment consultant by developing an estimate range of investment return based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class for the plan years ended June 30, 2020 and 2019 are summarized in the following table:

	2020		2019	
STRS Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	28%	7.35%	28%	7.35%
International equities	23%	7.55%	23%	7.55%
Alternatives	17%	7.09%	17%	7.09%
Fixed income	21%	3.00%	21%	3.00%
Real estate	10%	6.00%	10%	6.00%
Liquidity reserves	1%	2.25%	1%	2.25%
Total	100%		100%	

Discount Rate

The discount rates used to measure the total OPEB assets/liabilities were 6.00% and 3.16% for OPERS for the plan years ended December 31, 2020 and 2019, respectively. The discount rate used to measure the total OPEB assets/liabilities for was 7.45% for STRS for the plan years ended June 30, 2020 and 2019, respectively.

For OPERS, single discount rates of 6.00% and 3.16% were used to measure the OPEB assets/liabilities on the measurement dates of December 31, 2020 and 2019, respectively. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 2.00%. The projection of cash flows used to determine this single discount rate assumed that participating employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projected period through which projected health care payments are fully funded.

For STRS, a single discount rate of 7.45% was used to measure the OPEB assets/liabilities on the measurement dates of June 30, 2020 and 2019, respectively. The projection of cash flows used to determine the discount rates assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was applied to all periods of projected health care costs to determine the total OPEB asset/liability as of June 30, 2020.

Sensitivity of the University's Proportionate Share of the Net OPEB (Asset)/Liability to Changes in the Discount Rate and Health Care Cost Trend Rates

The University's proportionate share of the net OPEB (asset)/liability has been calculated using the discount rates of 6.00% and 3.16% for OPERS and 7.45% for STRS for the years ended June 30, 2021 and 2020, respectively. The following presents the University's proportionate share of the net OPEB (asset)/liability calculated using a discount rate 1% higher and 1% lower than the current discount rate.

	2021		
	1% Decrease	Current Discount Rate	1% Increase
OPERS Range	-5.00%	-6.00%	-7.00%
STRS Range	-6.45%	-7.45%	-8.45%
University's proportionate share:			
OPERS net OPEB asset	$ (1,196,286)	$ (4,811,014)	$ (7,782,610)
STRS net OPEB asset	(7,714,891)	(8,867,026)	(9,844,574)
Total	**$ (8,911,177)**	**$ (13,678,040)**	**$ (17,627,184)**

	2020		
	1% Decrease	Current Discount Rate	1% Increase
OPERS Range	-2.16%	-3.16%	-4.16%
STRS Range	-6.45%	-7.45%	-8.45%
University's proportionate share:			
OPERS net OPEB liability	$ 52,535,573	$ 40,144,542	$ 30,223,358
STRS net OPEB asset	(7,456,560)	(8,966,960)	(10,072,941)
Total	**$ 45,079,013**	**$ 31,177,582**	**$ 20,150,417**

The following presents the University's proportionate share of the net OPEB (asset)/liability calculated using health care cost trend rates 1% higher and 1% lower than the current health care cost trend rates noted above for OPERS and STRS as of June 30, 2021 and 2020.

	2021		
	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
University's proportionate share:			
OPERS net OPEB asset	$ (4,928,267)	$ (4,811,014)	$ (4,679,828)
STRS net OPEB asset	(9,783,895)	(8,867,026)	(7,750,148)
Total	**$ (14,712,162)**	**$ (13,678,040)**	**$ (12,429,976)**

	2020		
	1% Decrease	Current Health Care Cost Trend Rates	1% Increase
University's proportionate share:			
OPERS net OPEB liability	$ 38,959,911	$ 40,144,542	$ 41,314,072
STRS net OPEB asset	(10,168,120)	(8,966,960)	(7,495,828)
Total	**$ 28,791,791**	**$ 31,177,582**	**$ 33,818,244**

OPEB Plans' Fiduciary Net Position
Detailed information about OPERS and STRS fiduciary net position is available in the separately issued financial reports. Financial reports for OPERS may be obtained online at www.opers.org or by writing to Ohio Public Employees Retirement System, Director-Finance, 277 East Town Street, Columbus, Ohio 43215-4642. Financial reports for STRS may be obtained at www.strsoh.org or by writing to State Teachers Retirement System of Ohio, Attn: Chief Financial Officer, 275 E. Broad St., Columbus, OH 43215-3771.

Payables to the OPEB Plans
At June 30, 2021 and 2020, the University reported no payables to OPERS and STRS for the outstanding amounts of contributions to the OPEB plans required for the year ended June 30, 2021 and 2020.

(9) Commitments and Contingencies

At June 30, 2021, the University is committed under contractual obligations for:

Capital expenditures	$ 3,367,041
Non-capital goods and services	15,999,690
Total contractual commitments	$ 19,366,731

These commitments are being funded from the following sources:

State appropriations requested and approved	$ 2,401,926
University funds	16,964,805
Total sources	$ 19,366,731

The University is presently involved as a defendant or codefendant in various matters of litigation. The University is also subject to various federal and/or state investigations and audits. The

University's administration believes that the ultimate disposition of these matters would not have a material adverse effect upon the financial statements of the University.

In 2015, Wright State University became the subject of a federal investigation regarding H-1B visa violations. Settlement costs of $1,000,000 were accrued as of June 30, 2018. A non-prosecution agreement, requiring three equal payments of the settlement over three years, was signed during fiscal year 2019. The final payment of the settlement was made in July 2020.

Due to the global outbreak resulting from the spread of the SARS-CoV-2 virus, a pandemic was declared by the World Health organization and a national emergency was declared by the President of the United States in March 2020. Accordingly, the State of Ohio has issued shelter-in-place orders and other measures around public gatherings and business operations to slow the spread of the virus. These orders were rescinded in June 2021. The University had moved the majority of classes and staff to an off-campus, remote model in fiscal 2020 and 2021. As a result, meal and parking refunds of $183,279 and $1,715,005 were issued during the years ended June 30, 2021 and 2020, respectively. Certain athletic and entertainment events have also been either cancelled or postponed. In August 2021, the University resumed both in-person and remote course offerings.

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the University. No impairments related to COVID-19 have been recognized as of June 30, 2021 or 2020. However, due to significant uncertainty surrounding the situation, management's judgement regarding this treatment could change in future periods. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

During the year ended June 30, 2020, the University was appropriated federal grant funds of $10,140,846 from the Congressional Higher Education Emergency Relief Fund (HEERF I), a subset of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Conditions of the award require 50% to be used for emergency financial aid grants to students and 50% to be used to support any institutional costs associated with significant changes to the delivery of instruction due to COVID-19. During the years ended June 30, 2021 and 2020, the University awarded $599,839 and $4,470,584, respectively, to students as emergency financial aid grants. The University was also reimbursed for $3,278,403 and $1,715,005, respectively, for COVID-related expenditures.

During the year ended June 30, 2021, the University was appropriated federal grant funds of $17,372,092 from Congressional Higher Education Emergency Relief Fund (HEERF II), a subset from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). Conditions of the HEERF II award require the student aid portion equal the dollar amount of student aid contractually allocated under an institution's CARES Act funding and represents the minimum amount an institution must use for financial aid grants to students. Additionally, the University was appropriated $28,721,641 from Congressional Higher Education Emergency Relief Fund (HEERF III), as subset from the American Rescue Plan Act (ARPA). Conditions of the ARPA award utilize the same model as the HEERF I funding. During the year ended June 30, 2021, the University awarded $5,070,423 and $662,444 from HEERF II and HEERF III for financial aid grants to students. The University was reimbursed $12,301,669 and $18,471 from HEERF II and HEERF III, of which $8,292,367 relates to revenue replacement, $3,227,472 relates to state appropriation replacement, and the remainder was for COVID-related expenditures.

The funding for HEERF I, II and III for years ended June 30, 2021 and 2020 is reflected in nonoperating revenue federal grants in the accompanying Statement of Revenues, Expenses, and Changes in Net Position.

The Federal Perkins loan program expired on September 30, 2017. The University recognized a liability of $4,538,350 and $5,659,310 for the federal portion of the program due to be returned to the federal government at June 30, 2021 and 2020, respectively. This amount excludes institutional capital contributions included in outstanding Perkins loans in the amount of $816,636, which is reflected as part of the University's net position. Guidance issued by the Department of Education (DE) describes the methods for institutions to liquidate their loan portfolio and return funds to DE. Institutions may continue to service their loans or assign them at any time in the future. However, when an institution assigns a loan to DE it loses all rights and title to the loan, including the institutional capital contribution contained in the assigned amount.

The University maintains comprehensive insurance coverage with private carriers for real property, building contents and vehicles. Vehicle policies include liability coverage for bodily injury and property damage. The University also carries professional coverage for employees and its Board of Trustees. Over the past three years, settlement amounts related to these insured risks have not exceeded the University's coverage amounts. There has been no significant change in coverage from last year.

The University is self-insured for all employee health care benefits with Anthem, Delta Dental, and Vision Service Plan as the third party administrators. Under the terms of the policy, the University is billed for actual claims on a weekly or monthly basis. In addition, liabilities for estimates of outstanding claims and claims incurred but not reported under self-insurance programs have been recorded in accrued liabilities.

Changes in the self-insured health care liabilities for the past three fiscal years are as follows:

	2021	2020	2019
Liability at beginning of fiscal year	$ 1,525,000	$ 1,615,000	$ 2,430,000
Current year claims including changes in estimates	22,380,932	23,698,161	26,320,602
Claim payments	(22,550,932)	(23,788,161)	(27,135,602)
Liability at end of fiscal year	$ 1,355,000	$ 1,525,000	$ 1,615,000

Health insurance claims are based upon estimates of the claims liabilities. Estimates are based upon past experience, medical inflation trends, and current claims outstanding, including year-end lag analysis. Differences between the estimated claims payable and actual claims paid are reported in the Statements of Revenues, Expenses and Changes in Net Position.

Collective Bargaining Agreements

Chapter 4117 of the Ohio Revised Code constitutes collective bargaining law for employees in the state of Ohio. The University is a party to a collective bargaining agreement with the American Association of University Professors (AAUP); representing tenure eligible, tenured faculty and non-tenure eligible faculty. The contract has been renegotiated and expires on June 30, 2023. The University is a party to collective bargaining agreements with the Fraternal Order of Police Ohio Labor Council; one representing non-supervisory on-campus police officers and sergeants and another representing communication center operators. These contracts have been renegotiated and expire on June 30, 2022. Additionally, the University is a party to a collective bargaining agreement with the International Brotherhood of Teamsters Local 957 which covers skilled, semi-skilled and labor employees. The agreement was finalized in March 2021 and expires on August 31, 2022.

On August 3, 2021, the University closed on $27,265,000 of General Receipts Refunding Bonds-Series 2021A, refinancing the $32,040,000 principal balance plus accrued interest of the University's 2011A bonds. The 2021A bonds have an effective interest rate of 1.32% and weighted average maturity of 5.8 years. The 2021A bonds carry coupon interest rates of 4% or 5% and mature on May 1, 2031.

The University is expected to close on $9,050,000 of General Receipts Refunding Bonds- Series 2022A (Forward Delivery) on February 1, 2022, exercising the full optional redemption of $10,270,000 plus accrued interest of the University's 2012 bonds. The 2022A bonds have an effective interest rate of 1.74% and weighted average maturity of 5.3 years. The 2022A bonds carry a coupon interest rate of 5% and mature on May 1, 2032.

(10) Operating Expenses by Natural Classification

The University reports operating expenses by functional classification on the Statement of Revenues, Expenses and Other Changes in Net Position. Operating expenses by natural classification for the University for the years ended June 30, 2021 and 2020 are summarized as follows:

	2021	2020
Salaries	$151,391,249	$164,095,179
Benefits	43,165,123	45,251,698
Contracted services	11,049,219	16,087,616
Supplies	9,746,627	8,030,464
Repairs & maintenance	12,291,512	12,331,989
Scholarships & fellowships	17,237,915	18,698,562
Other operating	17,462,887	23,231,360
Subtotal	262,344,532	287,726,868
Pension and OPEB	(33,105,218)	(4,144,351)
Depreciation	18,490,110	20,103,640
Total operating expenses	$247,729,424	$303,686,157

(11) Selected Disclosures of the Wright State University Foundation (a component unit)

The University is the sole beneficiary of the Wright State University Foundation, Inc., a separate, not-for-profit entity governed by a separate Board of Trustees, organized for the purpose of promoting educational and research activities. Assets of the Foundation relate principally to donor restricted funds and are discretely presented in the accompanying financial statements. Amounts transferred to the University from the Foundation are recorded as nonoperating “gifts” and “capital grants and gifts” in the accompanying financial statements. Following are selected disclosures from the Wright State University Foundation, Inc. financial statements.

A. Summary of Significant Accounting Policies

In accordance with generally accepted accounting principles as applied to not-for-profit organizations, the consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting. The Financial Accounting Standards Board (“FASB”) is the accepted standards setting body for establishing accounting principles generally accepted in the United States (“GAAP”). The following is a summary of the Foundation’s significant accounting and reporting policies presented to assist the reader in interpreting the consolidated financial statements and other data in this report.

Principles of Consolidation:
The consolidated financial statements include the accounts of Wright State University Foundation and its wholly-owned subsidiaries WSUF Emergence Center No. 1, LLC (formerly known as Fairborn Office Property LLC) and Raider Food Pantry, Inc (Raider Food Pantry). The consolidated entities are collectively referred to as “the Foundation”. All significant intercompany accounts and transactions have been eliminated in the consolidated financial statements.

Cash and Equivalents:
The Foundation considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents, except cash equivalent holdings in its investment portfolios that have resulted from recent security sales that will used to purchase other long-term securities.

Pledges Receivable:
Unconditional pledges are recorded in the period that the pledges are received. Conditional pledges are recorded in the period in which the conditions have been met. Payments on pledges to be collected in future years are recorded at net present value. All pledges are presented net of an allowance for doubtful collections.

Gifts Receivable from Trusts Held by Others:
Irrevocable trusts which will benefit the Foundation are recognized as gift revenue and as a receivable in an amount equal to the present value of the estimated future benefits to be received when trust assets are distributed. Adjustments to the receivable to reflect revaluation of the present value of the estimated future payments to the donor-designated beneficiaries and changes in actuarial assumptions during the term of the trust will be recognized as changes in the value of the asset.

Investment in Securities:
Investments in debt and equity securities and private placement bonds are stated at fair value. The fair values of investments are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments, when appropriate. Investments are initially recorded at their acquisition cost if they were purchased and at fair value if they are received through a contribution or exchange transaction. Securities traded on a national exchange are valued at their last reported sales price on the exchange on which they are traded.

Alternative investments, such as hedge funds, private equity, distressed debt and limited partnerships for which there is no ready market, are recorded at net asset value (NAV), as a practical expedient, to determine fair value of the investments. Because of the inherent uncertainty of valuation in the absence of readily ascertainable market values, the estimated values of those investments may differ from the values that would have been used had a ready market existed for such investments or if the investments were realized, and the differences could be material.

Realized gains or losses are included in the consolidated statements of activities. Unrealized gains or losses are based on the differences between cost and fair value of each classification of security and are reported in the consolidated statements of activities. Investments are managed by professional investment managers. Investment return is net of direct and indirect investment expenses.

Annuity Assets/Payable:
Under charitable gift annuity agreements, the Foundation has recorded the donated assets at fair value and the liabilities to the donor and/or his/her beneficiaries at the present value of the estimated future payments to be distributed by the Foundation to such individuals. The amount of the gift is the difference between the asset and liability and is recorded as gift revenue.

Capital Assets:
Expenditures for property and equipment and items that substantially increase the useful lives of existing assets are capitalized at cost. It is the policy of the Foundation to capitalize additions with an original cost of $5,000 or more. Assets acquired by gift are valued at fair value as of the date donated. The Foundation provides for depreciation using the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

	Years
Land improvements	10-25
Buildings	20-65
Machinery and equipment	5-10

Long-lived assets, such as buildings, machinery and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. At June 30, 2021 and 2020, management has concluded that they are unaware of any impairments to be recorded.

Deposits Held in Custody for Others:
These assets represent resources received and held by the Foundation as custodian. The assets are placed in the Foundation's investment portfolio and receive a pro-rata share of net investment earnings.

Functional Allocation of Expenses:
The costs of supporting the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Certain costs paid by the Foundation that relate to operations of the University's Advancement Division are classified as fund raising expenses. Costs specific to the operation of the Foundation as an independent entity are classified as management and general expenses.

Net Assets:
The Foundation's net assets are classified into two categories: (1) net assets without donor restriction, which include gifts made with no donor-imposed restrictions and (2) net assets with donor restrictions, which include donor-imposed restrictions that will be satisfied in the future, as well as donor-imposed restrictions that the assets be maintained in perpetuity (endowments).

The net assets without donor restrictions consist of operating funds available for any purpose authorized by the Board of Trustees. Included in these net assets without donor restrictions are funds that have been designated as endowments by the board (quasi-endowments). The board may elect to reverse its decision to designate these net assets.

Net assets with donor restriction consist of funds arising from a gift in which the donor has stipulated, as a condition of the gift, restrictions on how or when the gift may be spent. Also categorized as net assets with donor restrictions are unspent gains on donor designated endowment gifts by virtue of the Foundation's spending policy. This policy, which was approved by the Board of Trustees, aims to protect the Foundation's donor-designated endowments from the effects of inflation by reinvesting a portion of the earnings on these funds as if they were endowment funds.

Quasi-endowment funds may also be established by request of a University college or department in accord with the Foundation's quasi-endowment policy adopted by the Board of Trustees in fiscal year 2011. The objective of this policy is to allow significantly large donor restricted funds to generate earnings that may be used by the requesting unit for the purpose(s) specified by the donor.

Net assets with donor restriction that are perpetual in nature consist of funds arising from a gift or bequest in which the donor has stipulated, as a condition of the gift, that the principal be maintained in perpetuity and only the investment income from investment of the funds be expended. Certain donor endowments also specify that a portion of the earnings from the investment be reinvested as principal, or that all income earned over a period of time be reinvested. Amounts are also transferred for specific uses from time to time, as requested by the donor.

Gifts and Contributions:
Contributions are provided to the Foundation either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of Gift	Value Recognized
Conditional gifts with or without restriction	
Gifts that depend on the Foundation overcoming a donor imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e. the donor imposed barrier is met
Unconditional gifts, with or without Restriction	
Received at date of gift – cash and other assets	Fair value
Received at date of gift – property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions and investment income having donor stipulations which are satisfied in the period the gift is received and the investment income is earned are recorded as revenue with donor restrictions and then released from restriction.

Investment Earnings:
Interest and dividends from endowment investments are credited to restricted funds and spent in compliance with donor stipulations and the Foundation's spending policy. Interest and dividends from non-endowment investments are credited to the unrestricted fund for expenditure at the discretion of the Foundation's Board of Trustees. Realized gains or losses are determined based on the average cost method.

Net Assets Released from Restrictions:
When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

Federal Income Taxes:
The Foundation and Raider Food Pantry have been approved under the Internal Revenue Code Section 501(c)(3) as a nonprofit organization exempt from federal taxes on its normal activities. However, the Foundation and Raider Food Pantry are subject to federal income tax on any unrelated business taxable income. The Foundation and Raider Food Pantry file tax returns in the U.S. federal jurisdiction. WSUF Emergency Center No. 1, LLC is a disregarded entity for tax purposes.

GAAP prescribes recognition thresholds and measurement attributes for the consolidated financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. Management has concluded that they are unaware of any tax benefits or liabilities to be recognized at June 30, 2021 and 2020, respectively.

The Foundation and Raider Food Pantry do not have any tax benefits recorded at June 30, 2021 and does not expect that position to significantly change in the next year. The Foundation and Raider Food Pantry would recognize interest and/or penalties related to income tax matters in income tax expense, if applicable, and there were no amounts accrued for interest and penalties at June 30, 2021 and 2020.

Transfers Between Fair Value Hierarchy Levels:
Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the period ending date.

COVID-19:
As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Foundation. Potential effects include but are not limited to declines in the fair value of investments, realizability of pledge receivables, and declines in contributions and gifts. The duration of these uncertainties and the ultimate effects cannot be reasonably estimated at this time.

Subsequent Events:
Management has performed an analysis of the activities and transactions subsequent to June 30, 2021, to determine the need for any adjustments to and/or disclosures within the audited consolidated financial statements for the year ended June 30, 2021. Management has performed their analysis through October 14, 2021, the date the consolidated financial statements were available to be issued.

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 and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

B. Business and Concentrations of Credit Risk

The Foundation's financial instruments that are exposed to various risks, such as interest rate, market and concentrations of credit risk consist primarily of cash and investments. The Foundation deposits its cash in federally insured banks. At June 30, 2021, the Foundation's cash accounts exceeded federally insured limits by approximately $1,758,000.

Investments are managed by a professional investment management company under an outsourced chief investment officer arrangement. The investment manager is subject to the Foundation's investment policy, approved by the Board of Trustees, which contains objectives, guidelines and restrictions designed to provide for preservation of capital with an emphasis on providing current income and achieving long-term growth of the funds without undue exposure to risk. Certain funds have been pooled for ease of management and to achieve greater diversification in investments. Due to the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible the changes in risks in the near term would result in material changes in the fair value of long-term investments and net assets of the Foundation.

C. Fair Value of Financial Instruments

Fair value is the price that would be received for an asset or paid to transfer a liability (an exit price) in the Foundation's principal or most advantageous market on the measurement date.

The fair value hierarchy established by U.S. GAAP requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1:	Quoted prices for identical assets or liabilities in active markets.
Level 2:	Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
Level 3:	Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.
Net Asset Value:	Alternative to fair value hierarchy using net asset value practical expedient as defined by Accounting Standards Codification 820, Fair Value Measurement.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

Assets measured at fair value on a recurring basis are summarized below for the years ended June 30, 2021 and 2020.

	Fair Value Measurements at June 30, 2021 Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value	Totals
ASSETS					
Gifts receivable from trusts held by others	$ -	$ -	$ 1,890,000	$ -	$ 1,890,000
Investment in securities:					
Cash and equivalents	-	-	-	-	-
Mutual funds:					
Equity	84,543,908	-	-	-	84,543,908
Fixed income	46,948,541	-	-	-	46,948,541
Alternative assets:					
Hedge funds	-	-	-	12,997,139	12,997,139
Private equity	-	-	-	3,792,829	3,792,829
Distressed debt	-	-	-	3,895,222	3,895,222
Total investment in securities	131,492,449	-	-	20,685,190	152,177,639
Other investments:					
Limited partnerships	-	-	-	372,952	372,952
Private placement bonds	-	-	-	-	-
Total other investments	-	-	-	372,952	372,952
Other assets - equity	253,518	-	-	-	253,518
Annuity assets					
Cash and equivalents	22,692	-	-	-	22,692
Mutual funds-securities	954,221	-	-	-	954,221
Total annuity assets	976,913	-	-	-	976,913
Total	$ 132,722,880	$ -	$ 1,890,000	$ 21,058,142	$ 155,671,022

	Fair Value Measurements at June 30, 2020 Using				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value	Totals
ASSETS					
Gifts receivable from trusts held by others	$ -	$ -	$ 1,522,800	$ -	$ 1,522,800
Investment in securities:					
Cash and equivalents	-	-	-	-	-
Mutual funds:					
Equity	65,539,312	-	-	-	65,539,312
Fixed income	38,137,690	-	-	-	38,137,690
Alternative assets:					
Hedge funds	-	-	-	10,080,873	10,080,873
Private equity	-	-	-	5,289,680	5,289,680
Distressed debt	-	-	-	2,413,072	2,413,072
Total investment in securities	103,677,002	-	-	17,783,625	121,460,627
Other investments:					
Limited partnerships	-	-	-	412,053	412,053
Private placement bonds	-	-	1,324,000	-	1,324,000
Total other investments	-	-	1,324,000	412,053	1,736,053
Other assets - equity	261,835	-	-	-	261,835
Annuity assets					
Cash and equivalents	15,679	-	-	-	15,679
Mutual funds-securities	800,779	-	-	-	800,779
Total annuity assets	816,458	-	-	-	816,458
Total	$ 104,755,295	$ -	$ 2,846,800	$ 18,195,678	$ 125,797,773

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended June 30, 2021. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

Investments in securities, annuity assets, and other assets - Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Gifts receivable from trusts held by others - Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy.

Fair value determinations for Level 3 measurements of securities are the responsibility of the Foundation's finance office. The finance office contracts with a pricing specialist to generate fair value estimates on a monthly or quarterly basis. The finance office challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting standards generally accepted in the United States.

The table below presents a reconciliation and consolidated statement of activities classification of gains and losses for all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended June 30, 2021 and 2020:

	2021	
	Gifts Receivable from Trusts Held by Others	**Private Placement Bonds**
Beginning balance, July 1	$ 1,522,800	$ 1,324,000
Redemptions	-	(1,324,000)
Change in value of split interest agreements	367,200	-
Ending balance, June 30	$ 1,890,000	$ -

	2020	
	Gifts Receivable from Trusts Held by Others	**Private Placement Bonds**
Beginning balance, July 1	$ 1,531,200	$ 1,415,000
Redemptions	-	(91,000)
Change in value of split interest agreements	(8,400)	-
Ending balance, June 30	$ 1,522,800	$ 1,324,000

The fair value of gifts receivable from trusts held by others is based on a valuation model that calculates the present value of estimated residual trust value. The valuation model incorporates assumptions that market participants would use in estimating future investment earnings. Management determines the fair value based on best information available (Level 3 inputs).

Investments in securities consist primarily of mutual fund shares managed by a professional investment management company utilizing the "outsourced chief investment officer" model of portfolio administration, as described in Note B. The fair value of mutual funds is based on quoted prices in active markets (Level 1 inputs).

For private equity, for which there is no active market, information such as historical and current performance of the underlying assets, cash flow projections, liquidity and credit premiums required by a market participant, and financial trend analysis with respect to the individual fund manager, are utilized in determining individual securities. Due to current market conditions, as well as the limited trading activity of these securities, the market value of the securities is highly sensitive to assumption changes and market value volatility.

With respect to hedge funds and distressed debt, for which there is no active market, information such as historical and current performance of the underlying assets, cash flow projections, liquidity and credit premiums required by a market participant, and financial trend analysis with respect to the individual fund manager, are utilized in determining individual security valuations.

The Foundation's hedge fund allocation is invested in a "fund of funds" structured as an offshore company. The fund's investment objective is to seek to achieve high returns balanced against an appropriate level of volatility and directional market exposure over a full market cycle. The fund is broadly diversified and invests in various private funds such as hedge funds that pursue hedged or other alternative investment strategies, private equity funds, hybrid funds and any other alternative investment funds, while also opportunistically investing directly in any other securities and financial instruments. The fund generally invests in 15-20 funds and the fund of funds manager requires full transparency of each of the underlying funds' investment positions. The Foundation is no longer subject to the fund's initial two-year lock-up period and may, therefore, request liquidation on a semi-annual basis with 95 days prior notification. At June 30, 2021, the Foundation has no significant unfunded commitments to this hedge fund allocation. The valuation of this investment is based on NAV.

Approximately 6% of the Foundation's private equity fund investment is structured as a domestic partnership in which the Foundation is a limited partner. The fund seeks to invest the capital contributed to it in a diversified pool of long-term investments in non-publicly traded companies. Diversification is accomplished by investing 40-60% of committed capital in underlying funds focused on the United States, 20-40% on Europe and 0-30% on emerging markets. Capital commitments of the limited partners are payable to the partnership in installments over a 3 – 5-year period. At June 30, 2021, the Foundation's total capital commitment of $3,500,000 was 71.4% ($2,498,908) funded. The fund made return-of-capital distributions during the year and no further capital calls were received. Due to the long-term commitment of capital and the unpredictability of capital calls and partnership distributions, the fund is generally considered illiquid. It is also not unusual for private equity funds to experience losses in the early years of their existence. The valuation of this investment is based on NAV.

The balance of the Foundation's investment in the private equity space is in a fund also structured as a domestic partnership in which the Foundation is a limited partner. The fund seeks to continue the investment policy of the first fund, but seeks more diversification, shorter duration and a focus on cash returns. Diversification is accomplished by investing over five sub-class targets: buyouts, venture capital, debt, real estate and real assets/infrastructure. Capital commitments of the limited partners are payable to the partnership in installments over a 3 – 5-year period. At June 30, 2021, the Foundation's total capital commitment of $6,400,000 was 78.5% ($5,025,801) funded. Due to the long-term commitment of capital and the unpredictability of capital calls and partnership distributions, the fund is generally considered illiquid. It is also not unusual for private equity funds to experience losses in the early years of their existence. The valuation of this investment is based on NAV.

The Foundation's investment in distressed debt is in the form of a fund that invests directly and indirectly in below investment grade bonds and loans (and other debt and equity instruments) of U.S. and international energy companies. The fund is structured as a domestic limited partnership. The fund seeks to generate high absolute returns by investing in securities which are purchased or acquired at a significant discount to fair value and/or offer high coupon rates. The fund will maintain a flexible approach to attempt to identify the most attractive risk-adjusted returns primarily within the energy debt space primarily through: 1) below investment grade bonds and loans of U.S. energy companies which trade at a discount to fair value; 2) direct lending at attractive risk-adjusted rates to U.S. energy companies; and/or 3) smaller allocations to U.S. investment grade and emerging markets companies. The Foundation's investment in this asset class was fully funded at June 30, 2021. The fund's lockup period of three years, ended in

August 2018. However, upon recommendation of the fund manager and in order to enhance the fund's performance, the Foundation agreed to a further three-year lockup period which will end in April 2022. Once the lockup period is over, liquidations may be requested on a semi-annual basis with a 95 days prior notice, subject to fund director consent and certain gate, holdback and suspension restrictions. The valuation of this investment is based on NAV and subject to a monthly lag.

Valuation of limited partnership shares reported as "other investments" are derived from reports issued by the general partners adjusted for capital contributions and withdrawals throughout the fiscal year. Although the fund custodians provide annual audited financial statements for each of the funds, the value of the underlying securities is difficult to ascertain as there is no active market associated with these ownership interests. There are no unfunded capital commitments with respect to these investments. Due to the long-term commitment of capital and the unpredictability of capital calls and partnership distributions, these investments are generally considered illiquid. The valuation of this investment is based on NAV.

In July 2017, the Foundation purchased private placement bonds issued in support of the construction of an academic building at the University's Lake Campus. The bonds were issued by the Toledo Port Authority on behalf of Double Bowler, Inc., the University's real estate management arm, which owns the property. The bonds are to be liquidated with proceeds of a lease between the University and Double Bowler for use of the building. Bond interest payments are due semiannually on December 1 and June 1, with principal payments also due on June 1. In a cost-saving move, these bonds were fully refunded in March of 2021. Principal and interest payments for FY21 were received during the year ended June 30, 2021, and amounted to $1,324,000 and $24,223, respectively.

D. Pledges Receivable

Pledges receivable at June 30, 2021 and 2020, by fund type, are as follows:

	2021		
	Without Donor Restrictions	**With Donor Restrictions**	**Totals**
Less than one year	$ 5,874	$ 2,773,252	$ 2,779,126
One to five years	-	1,989,497	1,989,497
Six years or greater	-	1,979,470	1,979,470
Gross pledges receivable	5,874	6,742,219	6,748,093
Present value discount	(74)	(709,219)	(709,293)
Allowance for uncollectible pledges	-	(52,400)	(52,400)
Pledges receivable (net)	$ 5,800	$ 5,980,600	$ 5,986,400

	2020		
	Without Donor Restrictions	**With Donor Restrictions**	**Totals**
Less than one year	$ 6,505	$ 2,986,263	$ 2,992,768
One to five years	-	3,051,649	3,051,649
Six years or greater	-	1,979,470	1,979,470
Gross pledges receivable	6,505	8,017,382	8,023,887
Present value discount	(5)	(762,082)	(762,087)
Allowance for uncollectible pledges	-	(56,500)	(56,500)
Pledges receivable (net)	$ 6,500	$ 7,198,800	$ 7,205,300

The fair value of pledges receivable was determined using discount rates applicable to the year in which the pledge was established. Rates ranged from 0.29% to 3.34%.

E. Gifts Receivable from Trusts Held by Others

The Foundation is a party to charitable gift trusts. Third party trustees maintain trust assets in irrevocable trusts for the benefit of the Foundation. The fair values of the trusts are estimated based upon the fair value of the assets contributed by the donor less the present value of the payment expected to be made to other beneficiaries. The present value is calculated using the discount rate the year in which the trust was established. Rates ranged from 1.72% to 4.92%. The balances at June 30, 2021 and 2020, are $1,890,000 and $1,522,800, respectively, and are included in net assets with donor restrictions.

F. Investment in Securities

The fair value of the Foundation's investments, at June 30, 2021 and 2020, are as follows:

	2021	2020
Mutual funds:		
Equity	$ 84,543,908	$ 65,539,312
Fixed income	46,948,541	38,137,690
Alternative assets	20,685,190	17,783,625
Totals	$ 152,177,639	$ 121,460,627

Net realized gains/(losses) on sales of investments were $4,934,077 and ($165,790) for the years ended June 30, 2021 and 2020, respectively. Calculation of net realized gains on sales of investments is based on original cost. Net unrealized gains/(losses) amounted to $22,276,363 and $(5,282,719) for the years ended June 30, 2021 and 2020, respectively.

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying consolidated statements of financial position.

G. Other Assets

In July of 2012, the Foundation, along with the University of Dayton, purchased an option to acquire real property owned by the Miami Valley Research Foundation (MVRF) in Greene County, Ohio. The Foundation's share of the option price was $250,000. The renewable option agreement is valid for a period of two years, after which the option payment is returned to the Foundation without interest accruing. The option further provides that the MVRF may prematurely terminate the agreement and return the option payment along with a 5% annual premium. The option expired in June 2014, but was renewed through June 9, 2020 by both parties. MVRF returned the option price to the Foundation upon expiration of the option in FY20.

Also, included in other assets are unrestricted funds set aside for a specific group of University students to invest to provide them experience in managing a "live" portfolio. The project is known as Raider Asset Management (RAM). As the funds are not under the direct control of the Foundation's investment management system, they have been separately classified from investments in securities. The balance at June 30, 2021 and 2020 was $253,518 and $261,835, respectively. Earnings (losses) generated from the project are included in other income. Total net losses for 2021 and 2020 amounted to ($8,317) and ($77,234), respectively.

H. Capital Assets

Capital assets activity for the years ended June 30, 2021 and 2020 is summarized as follows:

	2021		
	Beginning Balance	Additions	Ending Balance
Capital assets:			
Land	$ 173,000	$ -	$ 173,000
Buildings and improvements	2,644,131	-	2,644,131
Machinery and equipment	28,632	-	28,632
Total capital assets	2,845,763	-	2,845,763
Less accumulated depreciation:			
Buildings and improvements	771,402	118,022	889,424
Machinery and equipment	28,632	-	28,632
Total accumulated depreciation	800,034	118,022	918,056
Capital assets, net	$ 2,045,729	$ (118,022)	$ 1,927,707

	2020		
	Beginning Balance	Additions	Ending Balance
Capital assets:			
Land	$ 173,000	$ -	$ 173,000
Buildings and improvements	2,644,131	-	2,644,131
Machinery and equipment	28,632	-	28,632
Total capital assets	2,845,763	-	2,845,763
Less accumulated depreciation:			
Buildings and improvements	653,374	118,028	771,402
Machinery and equipment	26,590	2,042	28,632
Total accumulated depreciation	679,964	120,070	800,034
Capital assets, net	$ 2,165,799	$ (120,070)	$ 2,045,729

I. Debt Guaranty

During fiscal year 2011, the Foundation entered into agreement with Dayton Regional STEM Schools, Incorporated ("STEM") guaranteeing payments on a lease (and such other obligations imposed by the lease) related to the purchase and renovation of an existing building that is utilized by STEM in fulfillment of its corporate purposes. STEM is one of ten Ohio schools offering students a relevant, real world educational experience that will prepare them for college and opportunities in the work world. Wright State University has acted as STEM's fiscal agent as well as providing space, supplies and personnel in support of its operations. The agreement pledges unrestricted net assets of the Foundation in an amount not to exceed $3,000,000 and the designation of unrestricted net assets in the amount of one year of maximum debt service ($600,000) on bonds associated with the project. Since the guaranty may expire without being drawn upon, the total guaranty does not necessarily represent future cash requirements. As of June 30, 2021, no amounts have been recognized as a liability under the financial guaranty in the Foundation's consolidated statements of financial position, as the likelihood that STEM would be unable to fulfill its obligation in full or in part under the debt agreement is not considered to be probable.

J. Endowment Composition

The Foundation's endowment primarily consists of three separate portfolios, all of which are held by SEI Investments. Its endowment includes donor-restricted endowment funds, funds that accumulate excess net earnings on the donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by applicable standards, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment net asset composition by type of fund as of June 30, 2021 and 2020:

	2021		
	Without Donor Restrictions	**With Donor Restrictions**	**Totals**
Donor restricted endowment funds	$ -	$ 69,108,339	$ 69,108,339
Board-designated funds	603,495	42,436,229	43,039,724
Totals	$ 603,495	$ 111,544,568	$ 112,148,063

	2020		
	Without Donor Restrictions	**With Donor Restrictions**	**Totals**
Donor restricted endowment funds	$ -	$ 56,233,941	$ 56,233,941
Board-designated funds	602,383	34,809,326	35,411,709
Totals	$ 602,383	$ 91,043,267	$ 91,645,650

Changes in endowment net assets for the years ended June 30, 2021 and 2020:

	2021		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of year	$ 602,383	$ 91,043,267	$ 91,645,650
Investment return			
Investment income (net)	-	2,758,226	2,758,226
Net appreciation (depreciation)	-	21,965,893	21,965,893
Total investment return	-	24,724,119	24,724,119
Contributions	-	633,378	633,378
Change in value of split interest agreements	-	(35,312)	(35,312)
Other income	-	104,936	104,936
Change in donor restrictions	-	24,000	24,000
Net assets released from restrictions	23,789	-	23,789
Appropriation of assets for expenditure	(22,677)	(4,949,820)	(4,972,497)
Net assets, end of year	$ 603,495	$ 111,544,568	$ 112,148,063

	2020		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of year	$ 581,179	$ 92,430,497	$ 93,011,676
Investment return			
Investment income (net)	-	4,053,253	4,053,253
Net appreciation (depreciation)	-	(4,316,267)	(4,316,267)
Total investment return	-	(263,014)	(263,014)
Contributions	-	3,526,810	3,526,810
Change in value of split interest agreements	-	(36,641)	(36,641)
Other income	-	24,666	24,666
Change in donor restrictions	25,000	23,978	48,978
Net assets released from restrictions	24,704	-	24,704
Appropriation of assets for expenditure	(28,500)	(4,663,029)	(4,691,529)
Net assets, end of year	$ 602,383	$ 91,043,267	$ 91,645,650

Interpretation of UPMIFA: On June 1, 2009, the State of Ohio's version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) became effective for all non-profit, charitable organizations, including the Foundation. The Board of Trustees has interpreted UPMIFA as requiring the preservation of the fair value of the original and subsequent gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. However, per policies adopted during the fiscal year ended June 30, 2010, the Foundation may expend up to 20% of the fair value of the original gift(s) when no other net earnings (current or accumulated) are available for distribution.

The Foundation classifies net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund, while not permanently restricted, is also classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund

2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization.

Return Objectives and Risk Parameters: The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s), as well as Board-designated funds. Under the Foundation's formally adopted investment policy, the primary investment objective of the endowment portfolio is to provide for preservation of capital with an emphasis on providing current income and achieving long-term growth of the endowment without undue exposure to risk. The performance objective is to grow the market value of assets net of inflation, spending, and expenses, over a full market cycle (generally defined as a three to five-year period) without undue exposure to risk. In quantitative terms, the portfolio is invested to earn a total return of 5% over inflation without exceeding a standard deviation of 1.2 times a weighted benchmark index. The benchmark index will be comprised of each asset class index weighted by its target allocation. It is also expected that the investment results will outperform their weighted benchmark indices over a full market cycle. Return is calculated on a total return basis, which includes income (interest and dividends), realized and unrealized capital gains (losses).

Strategies Employed for Achieving Objectives: The purpose of endowment funds is to facilitate donors' desire to make substantial long-term gifts to the University and to develop a significant source of revenue for the Foundation. In so doing, the funds will provide a secure, long-term source of funds to: (i) stabilize funding for University schools, colleges and departments, especially in times characterized by declining State support of higher education, (ii) enhance the quality and variety of learning opportunities for Wright State students, (iii) fund special grants, (iv) ensure long-term growth of the University, (v) enhance the University's ability to meet changing educational needs and demands in both the short- and long-term and (vi) support the administrative expenses of the Foundation as deemed appropriate.

Spending Policy and How the Investment Objectives Relate to Spending Policy: The distribution rate is based upon a total return approach, which utilizes both income and capital appreciation to be withdrawn for spending. For the fiscal years ended June 30, 2021 and 2020, the spending rate for the Foundation was 4.00% of the previous twelve-quarter average of the endowment portfolio's market value. The spending rate is determined annually by the Foundation Board of Trustees, who may elect to make no distribution in any given year.

Funds with Deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. Such amounts totaled $759 and $427,210 as of June 30, 2021 and 2020, respectively. Endowment fund principal, unless otherwise directed by the originating donor(s), may be disbursed in accord with Foundation policy so long as the principal amount shall not fall below 80% of the fair value of the original gift and any subsequent gifts to the fund.

Foundation's Reserve Policy: Prompted by the market downturn of 2001-2003, the Foundation implemented a policy establishing a reserve fund, the primary purpose of which was to provide matching grants to endowment funds that suffer investment losses resulting in fund deficiencies. The policy stipulates that the reserve fund will make grants in an amount equal to or less than 50% of the amount that would normally have been generated by the endowment had earnings been available so long as the benefitting school, college or department provides a dollar-for-dollar match. No such grants were necessary in fiscal years 2021 and 2020.

The reserve policy further stipulates that in those years in which the net assets without donor restrictions of the Foundation increase, 5% of the increase is to be transferred into the reserve fund so long as the transfer does not cause the value of the fund to exceed $1 million. No transfer is required if the reserve amount is greater than $1 million. Since the value of the reserve exceeded $1 million in fiscal years 2021 and 2020, no such transfers were required.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE WRIGHT STATE UNIVERSITY'S PROPORTIONATE SHARE OF THE OPERS NET PENSION LIABILITY AND CONTRIBUTIONS
(Dollar amounts in thousands)
(Percentages rounded to thousandths)

	2021	2020	2019	2018	2017	2016	2015 [1]
University's proportion of the net pension liability (asset) [2]	0.259%	0.276%	0.304%	0.350%	0.421%	0.444%	0.455%
University's proportionate share of the net pension liability (asset) [2]	$ 37,515	$ 54,024	$ 82,802	$ 54,473	$ 95,392	$ 76,754	$ 54,649
OPERS fiduciary net position as a percentage of the total pension liability [2]	87.207%	82.443%	74.909%	84.854%	77.386%	81.192%	86.533%
University's covered-employee payroll [2]	$ 41,083	$ 44,343	$ 46,830	$ 52,295	$ 61,511	$ 62,769	$ 61,994
University's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll [2]	91.315%	121.832%	176.814%	104.165%	155.081%	122.280%	88.152%
Statutorily required contribution [3]	$ 5,779	$ 6,537	$ 7,035	$ 7,498	$ 8,315	$ 9,035	$ 9,046
Contributions in relation to the statutorily required contribution [3]	$ 5,779	$ 6,537	$ 7,035	$ 7,498	$ 8,315	$ 9,035	$ 9,046
Annual contribution deficiency (excess) [3]	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered-employee payroll [3]	$ 38,111	$ 42,650	$ 46,018	$ 48,994	$ 57,571	$ 62,672	$ 62,945
Contributions as a percentage of covered-employee payroll [3]	15.164%	15.327%	15.287%	15.304%	14.443%	14.416%	14.371%

(1) Information prior to 2015 is not available
(2) Amount presented determined as of the OPERS December 31st fiscal year end occurring during the respective university June 30th fiscal year-end
(3) Amount presented determined as of the respective University June 30th fiscal year-end

SCHEDULE OF THE WRIGHT STATE UNIVERSITY'S PROPORTIONATE SHARE OF THE STRS NET PENSION LIABILITY AND CONTRIBUTIONS

(Dollar amounts in thousands)
(Percentages rounded to thousandths)

	2021	2020	2019	2018	2017	2016	2015 (1)
University's proportion of the net pension liability (asset) (2)	0.505%	0.541%	0.601%	0.681%	0.726%	0.729%	0.713%
University's proportionate share of the net pension liability (asset) (2)	$ 122,077	$ 119,728	$ 132,220	$ 161,733	$ 242,899	$ 201,492	$ 173,487
STRS fiduciary net position as a percentage of the total pension liability (2)	75.478%	77.398%	77.310%	75.288%	66.778%	72.088%	74.707%
University's covered-employee payroll (2)	$ 49,580	$ 51,953	$ 56,101	$ 61,792	$ 63,346	$ 63,798	$ 61,581
University's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll (2)	246.222%	230.454%	235.682%	261.738%	383.448%	315.828%	281.722%
Statutorily required contribution (3)	$ 7,841	$ 8,553	$ 8,894	$ 9,571	$ 10,531	$ 10,739	$ 10,757
Contributions in relation to the statutorily required contribution (3)	$ 7,841	$ 8,553	$ 8,894	$ 9,571	$ 10,531	$ 10,739	$ 10,757
Annual contribution deficiency (excess) (3)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
University's covered-employee payroll (3)	$ 45,191	$ 49,761	$ 52,118	$ 56,186	$ 62,056	$ 63,321	$ 64,347
Contributions as a percentage of covered-employee payroll (3)	17.351%	17.188%	17.065%	17.034%	16.970%	16.960%	16.717%

(1) Information prior to 2015 is not available
(2) Amount presented determined as of the STRS June 30th fiscal year-end occurring one year prior to the respective university June 30th fiscal year-end
(3) Amount presented determined as of the respective University June 30th fiscal year-end

SCHEDULE OF THE WRIGHT STATE UNIVERSITY'S PROPORTIONATE SHARE OF THE OPERS NET OPEB LIABILITY AND CONTRIBUTIONS
(Dollar amounts in thousands)
(Percentages rounded to thousandths)

	2021	2020	2019	2018 (1)
University's proportion of the net OPEB liability (asset) (2)	0.270%	0.291%	0.321%	0.368%
University's proportionate share of the net OPEB liability (asset) (2)	$ (4,811)	$ 40,145	$ 41,838	$ 39,917
OPERS fiduciary net position as a percentage of the total OPEB liability (2)	115.57%	47.80%	46.33%	54.14%
University's covered-employee payroll (2)	$ 41,083	$ 44,343	$ 46,830	$ 52,295
University's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll (2)	-11.710%	90.533%	89.340%	76.330%
Statutorily required contribution (3)	$ -	$ -	$ -	$ -
Contributions in relation to the statutorily required contribution (3)	$ -	$ -	$ -	$ 305,775
Annual contribution deficiency (excess) (3)	$ -	$ -	$ -	$ (305,775)
University's covered-employee payroll (3)	$ 38,111	$ 42,650	46,018	48,994
Contributions as a percentage of covered-employee payroll (3)	0.000%	0.000%	0.000%	0.624%

(1) Information prior to 2018 is not available
(2) Amount presented determined as of the OPERS December 31st fiscal year end occurring during the respective university June 30th fiscal year-end
(3) Amount presented determined as of the respective University June 30th fiscal year-end

SCHEDULE OF THE WRIGHT STATE UNIVERSITY'S PROPORTIONATE SHARE OF THE STRS NET OPEB LIABILITY (ASSET) AND CONTRIBUTIONS

(Dollar amounts in thousands)
(Percentages rounded to thousandths)

	2021	2020	2019	2018 (1)
University's proportion of the net OPEB liability (asset) (2)	0.505%	0.541%	0.601%	0.681%
University's proportionate share of the net OPEB liability (asset) (2)	$ (8,867)	$ (8,967)	$ (9,663)	$ 26,564
STRS fiduciary net position as a percentage of the total OPEB liability (2)	182.134%	174.743%	175.996%	47.114%
University's covered-employee payroll (2)	$ 49,580	$ 51,953	56,101	61,792
University's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll (2)	-17.884%	-17.260%	-17.224%	42.989%
Statutorily required contribution (3)	$ -	$ -	$ -	$ -
Contributions in relation to the statutorily required contribution (3)	$ -	$ -	$ -	$ -
Annual contribution deficiency (excess) (3)	$ -	$ -	$ -	$ -
University's covered-employee payroll (3)	$ 45,191	$ 49,761	52,118	56,186
Contributions as a percentage of covered-employee payroll (3)	0.000%	0.000%	0.000%	0.000%

(1) Information prior to 2018 is not available
(2) Amount presented determined as of the STRS June 30th fiscal year-end occurring one year prior to the respective university June 30th fiscal year-end
(3) Amount presented determined as of the respective University June 30th fiscal year-end

Notes to Required Supplementary Information

Changes of Benefit Terms

The following pension plan change was implemented by STRS effective July 1, 2017:

1. The cost of living adjustment (COLA) was reduced to zero.

The following pension plan changes were implemented by STRS effective January 1, 2019:

1. The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service.
2. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020

The following OPEB plan changes were implemented by STRS effective January 1, 2020:

1. The subsidy multiplier for non-Medicare benefit recipients was increased from 1.944% to 1.984% per year of service.
2. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020, and the Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan.
3. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

The following OPEB changes were approved by the OPERS board on January 15, 2020 affecting the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan effective January 1, 2022. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability:

1. Base allowances and eligibility for Medicare retirees were changed.
2. OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances are being replaced, similar to the program for Medicare retirees.

Changes of Assumptions

Net pension and OPEB amounts beginning with the 2016 plan year for OPERS were impacted by the following assumption changes:

1. The long-term pension investment return assumption was reduced from 8.0% to 7.5%.
2. There was a change in mortality tables for both pension benefits and health care coverage.
3. In 2018, the long-term pension investment return assumption was reduced from 7.5% to 7.2% and the long-term health care investment return assumption from 6.5% to 6.0%.

OPEB amounts reported in 2017 for STRS reflect the following assumption changes:

1. The discount rate was increased from 3.26% to 4.13%.

2. The long term expected rate of return was reduced from 7.75% to 7.45%.
3. Valuation year per capita health care costs were updated, and the salary scale was modified.
4. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased.
5. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

OPEB amounts beginning with the 2018 plan year for STRS were impacted by the following assumption changes:

1. The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB).
2. Valuation year per capita health care costs were updated.

OPEB amounts beginning with the 2019 plan year for OPERS were impacted by the following assumption change:

1. The discount rate was decreased from the single discount rate of 3.96% to a single discount rate of 3.16%.
2. Retiree health care valuations use a health care cost-trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50%. The plan assumption used for projection is the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries used by OPERS project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50% in the most recent valuation.

OPEB amounts reported in the 2019 plan year for STRS include the following change:

The primary health care cost trend rate adjustment was the change of the initial starting trend rate from -5.23% in plan year 2018 to 9.62% in plan year 2019, with the ultimate rate assumed to be 4.00% at the end of the next decade.

OPEB amounts reported in the 2020 plan year for OPERS include the following changes:

1. The primary health care cost trend rate adjustment was the change of the initial starting trend rate from 10.50% in plan year 2019 to 11.87% in plan year 2020, with the ultimate rate assumed to be 4.00% at the end of the next decade.
2. The discount rates used to measure the total OPEB assets/liabilities were 6.00% and 3.16% for the plan years ended December 31, 2020 and 2019, respectively.

OPEB amounts reported in the 2020 plan year for STRS include the following change:

The primary health care cost trend rate adjustment was the change of the initial starting trend rate to -6.69% in plan year 2019 to 11.87% in plan year 2020, with the ultimate rate assumed to be 4.00% at the end of the next decade.

Subsequent Events

1. According to OPERS, subsequent to December 31, 2019, the global economy was impacted by the COVID-19 pandemic and market volatility increased significantly. It is likely that 2020 investment market conditions and other economic factors will be negatively impacted; however, the overall impact on the OPERS investment portfolio and funding position is unknown at this time.

SUPPLEMENTARY INFORMATION

WRIGHT STATE UNIVERSITY
A Component Unit of the State of Ohio
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Agency	Pass-through Agency Number	Total Federal Expenditures
STUDENT FINANCIAL ASSISTANCE CLUSTER				
U.S. Department of Education Direct Programs -				
Federal Supplemental Educational Opportunity Grant	84.007			$ 830,471
Federal Direct Loan Program	84.268			67,494,799
Federal Work Study Program	84.033			377,317
Federal Perkins Loan Program	84.038			6,657,943
Federal Pell Grant Program	84.063			13,229,329
Total U.S. Department of Education Direct Programs				88,589,859
U.S. Department of Health and Human Services Direct Programs -				
Health Professions Student Loans	93.342			11,014
Loans for Disadvantaged Students	93.342			48,765
Nurse Faculty Loan Program	93.264			30,766
Nursing Student Loans	93.364			925,076
Primary Care Loans	93.342			350,468
Total U.S. Department of Health and Human Services Direct Programs				1,366,089
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER				**89,955,948**

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Agency	Pass-through Agency Number	Total Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER				
U.S. Department of Agriculture, Prime -				
Long-term Influences of Deer Densities on Tree Regeneration in the Allegheny Plateau	10.664			$ 4,309
U.S. Department of Agriculture, Subcontract -				
Immune Evasion in Aquatic Rhabdoviral Pathogens	10.001	University of Toledo	F-2018-10 AMENDMENT 5	270,901
Nutrient and Sediment Retention Potential of a Saturated Buffer in Grand Lake St Marys	10.923	Ohio Farm Bureau Federation, Inc.	2020-0162-01	9,203
Total U.S. Department of Agriculture, Subcontract				280,104
Total U.S. Department of Agriculture				284,413
U.S. Agency for International Development, Subcontract -				
Identification of Electrophysiological Markers for Early Diagnosis of Amyotrophic Later	98.001	National Academy of Sciences	NAS SUBAWARD# 2000009148	65,379
U.S. Department of Commerce, Prime -				
Fundamental Understanding of Surface Formation Across Alloy Systems in Laser Powder Bed	11.609			11,782
U.S. Department of Commerce, Subcontract -				
Assessing Nitrogen Dynamics in a Closed Integrated Aquaponics System	11.417	The Ohio State University	60074860; RF01600229	31,327
First Comprehensive Survey of Benthic Microbial Diversity of Lake Erie: implications f	11.417	The Ohio State University	60074490	541
Ohio Sea Grant Omnibus 18-22: Creating a Website for the Lake Erie and Aquatic Research	11.417	The Ohio State University	60080654; SPC 1000004522	9,750
Rapid Mobilization to Establish Baseline Conditions and Assess Post-treatment Effects o	11.417	The Ohio State University	60076664; RF01609271	2,586
The Dayton MedTech Nexus Initiative	11.303	Wright State Applied Research Corporation	111888-004:ED1PHDQ0200061	3,619
Total U.S. Department of Commerce, Subcontract				47,823
Total U.S. Department of Commerce				59,605
U.S. Department of Defense, Prime -				
A Holistic Automatic Deep Understanding and Protection of Technical Documents	12.300			111,008
Alternate Tinnitus Management Techniques Developed Using Blood-Oxygen-Level-Dependent	12.300			120,772
Assured Digital Microelectronics Education & Training Ecosystem (ADMETE)	12.910			1,839,960
Cerebral Hemodynamic Studies of Hypoxia and Fatigue	12.340			45,340
Comprehensive Learning Objectives for Warfighter Needs	12.800			980,697
Evaluation of a Brief Marriage Intervention for Internal Behavioral Health Consultants	12.420			9,056
Interactions with Semi-Autonomous Remotely Piloted Vehicles (RPA)	12.800			186,702
Lesbian/Gay and Bisexual Couples in the Military: A Post-DADT Examination of Relationship	12.420			181,958
Precision High Intensity Training through Epigenetics (PHITE)	12.300			1,438,282
Recovering the Sources of Individual Differences Unduly-named Errors (ReSIDUE)	12.910			417,370
Revolutionary Intelligence and Influence Technologies (RIIT)	12.800			375,359
Science Technology and Research for Exploiting Sensor Systems (STRESS)	12.800			1,966,444
Sensor and Information Research Center for Understanding Systems (SIRCUS)	12.800			165,789
Synthesis Exploitation Analysis and Belief for Autonomous Sensor Systems (SEABASS)	12.800			1,035,560
Synthetic Aperture Radar Image Formation and Exploitation SARIFEX	12.800			107,419
The Assessment Prediction and Prevention of Destructive Employee Behaviors	12.300			31,286
The Role of Dynamic Representational Networks in Expertise in Visual Scene Recognition	12.300			48,845
To Establish a Joint DOD and WSU Center of Neuroimaging and NeuroEvaluation of Cognitive	12.800			36,459
Toward Undifferentiated Cognitive Agents: Determining Gaps in Comprehension	12.800			100,711
Up-Armoring At-Risk Military Couples	12.800			109,671
Total U.S. Department of Defense, Prime				9,308,688
U.S. Department of Defense, Subcontract -				
2020-2021 Aerospace Propulsion Outreach Program -APOP	12.800	Universal Technology Corporation	SUB 142411-16F2639-20-53-C8	4,499
Adaptive Goal-Driven Autonomous Agents	12.300	Lehigh University	543675-78001	87,607
Additively Manufactured Embedded Electronics	12.800	Southwestern Ohio Council for Higher Education	RY24-WSU-19-8-AFRL2 MOD 01	15,218
Advanced Analog to Digital Converter (ADC) for GPS Receivers Phase II SBIR	12.800	RBS Technologies, LLC	WSU-2018-1009-1	68,793
Airman Decision Making and Interface Research (ADMIRE)	12.800	Ball Aerospace	PO#20P0016C MOD 1	62,619
APEX	12.800	Wright State Applied Research Corporation	11186-006 CO 4 & 5	110,930
APEX Analytics	12.800	Wright State Applied Research Corporation	11186-001, FA8650-19-3-9341MD3	147,386
Applications in Computational and Experimental Electromagnetics-ACE-EM	12.800	Wright State Applied Research Corporation	SUB 11118-001 PO W000000112	43,044
ASSET 3 Support	12.420	University of Maryland	1000001081, 1701766	42,492
ATRC Digital Microeletronics Summer Interns	12.800	Centauri	PO#01307, CONTR#10827.002.180	19,922
Automated Analysis of Supplier Capabilities for Ensuring National Dominance ASCEND	12.800	Kairos Research LLC	KR2021S2P1;FA864921P0614	16,001
Bi Static MASINT and GEOINT R&D	12.800	Riverside Research	DRC.11287-054RR00182220MOD2	182,011
Brain-Computer Interfaces for Assessment and Enhancement of Airman and Teams in Operation	12.800	Ball Aerospace	20S0114C MOD 01	30,889
CFD Analysis of a Celestial Icosahedron Shaped Vacuum Lighter than Air Vehicle	12.800	MacAulay-Brown, Inc.	FA8075-14-D0019;DSC3150-03MOD4	23,139
Collaborative Communication Interruption Management System (C-CIMS)	12.800	Ball Aerospace	PO# 18P0246C CHG 3	1,881
CTRA - AQUEOUS-PREP	12.800	University of Maryland	SR00005274; 1802254	14,975
Design and Fabrication of a Hybrid Unmanned Air Vehicle	12.800	P.C. Krause and Associates	PRIME FA8650-18-C-2800	15,622
Development of a Vehicle Level Integration Tool for Aircraft Energy Management	12.800	Dayton Area Graduate Studies Institute (DAGSI)	RQ37-WSU-189-AFRL2	185
Dynamic Modeling of Aircraft Propulsion Power and Thermal Systems for System Verification	12.800	Universal Technology Corporation	FA8650-19-2-6983;20000022003C1	12,960
Eigenstrain Modeling of Residual Stress in Lattice Structures	12.800	MacAulay-Brown, Inc.	DSC3150-03-MOD3	5,749
Electrical and Optical Characterization	12.800	Wyle Laboratories	A10552.0005.S002, PO#APSC02040	373,078

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RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
U.S. Department of Defense, Subcontract (Continued) -				
Exploring an Expanded Theory of Multimedia Learning for Supporting Distributed Learning	12.800	Arizona State University	ASUB00000270 AMENDMENT 02	$ 72,482
Fabrication and Characterization of Doped ZnSe Nanoparticles	12.800	Universal Energy Systems Inc. (UES Inc.)	SUB S-114-014-001	8,209
fNIRS Operational Readiness Estimation	12.800	Aptima, Inc.	1395-2141; W81XWH20P0022	50,002
FY21 Bistatic and EO Sensor Fusion R&D Support	12.800	Riverside Research	DRC.11287-079RR002062.21TAG079	101,756
Human-Centered Science Laboratory (HCSL) Support of AFRL Activities 20-21	12.800	Wright State Applied Research Corporation	11112-002 CHANGE ORDER 3	25,850
Integrated Sense-Assess and Augment (ISAA)	12.800	Wright State Applied Research Corporation	11120.001 (WSU) PO W000000099	23,623
Machine Learning Controls for Reconfigurable Transceiver Array	12.800	Southwestern Ohio Council for Higher Education	RY13-WSU-20-5-AFRL2	44,081
Manufacturing Alloys for Near Net Turbine Applications to Supersonic	12.800	Universal Technology Corporation	142411-0000003-20-19-C1 TASK3	58,724
Mass Transport in Ni3Al Dislocation Structures	12.800	Southwestern Ohio Council for Higher Education	RX10-WSU-17-3-AFRL2	10,290
Object Physics for Exploitation and Recognition Advancements Opera TO2	12.800	Leidos, Inc.	P010151904-2 MOD 4	47,943
Open Analytics Platform and Data Repository for Multi-sensor In Situ Monitoring	12.800	Open Additive LLC	OA4005-S02	40,000
Optimization of Human Capital Program Human Attribute Taxonomy Development	12.800	Bowling Green State University	10010243-WSU	(1,440)
Performance Understanding for Layered Sensing Exploitation: Valuable Insights Through A	12.800	InfoSciTex Corp	FPH66-S005 TO02: PO#171467	(2)
Phase II: AF181029 Intelligent Robust Controller for Hybrid Electric UAVs	12.800	Intelligent Automation, Inc.	2528-1; FA8650-20-C-2306	69,216
Power/Thermal Management of Hypersonic Air Vehicles	12.800	Southwestern Ohio Council for Higher Education	RQ9-WSU-19-7-AFRL2 MOD 01	44,221
PT2030 SDCP Cost Estimation Models for UAV Platforms Thermal Management Systems TMS	12.800	Universal Energy Systems Inc. (UES Inc.)	SUB NO. S-162-17-MR003	43,821
Semi Supervised Named Entity Recognition for Knowledge Extraction from Technical Document	12.800	Tenet 3, LLC	19000206FA865018D1610TO20F1953	35,339
Stochastic Metamodeling for Design Validation	12.800	Dayton Area Graduate Studies Institute (DAGSI)	RQ30-WSU-16-3-AFRL2	(3,413)
Tensile Testing to Determine Detectability of Additive Manufacturing Defects using Nond	12.330	Intelligent Optical Systems	IOS# 3305; HQ086021C7107	19,673
Vibration Bending Fatigue Properties of Additively Manufactured Nickel-Based Superalloy	12.800	Universal Technology Corporation	142411-0000003-19-02-C11 MOD 4	584
Total U.S. Department of Defense, Subcontract				1,969,959
Total U.S. Department of Defense				11,278,647
U.S. Department of Education, Subcontract -				
Intelligent Diagnostic Assessment Platform for School Statistics Education	84.305A	University of Notre Dame	203469WSU	36,760
WSU OPOTA PATHWAY	84.048	Ohio Department of Higher Education	BOR01-0000007359	985
Total U.S. Department of Education				37,745
U.S. Department of Energy, Subcontract -				
Accelerating Additive Manufacturing Process Design for Energy Conversion Materials	81.086	U.S. Department of Energy	DE-EE009097; 20EE001801	134,749
Mechanisms of Complex Atomic- to Pore-Scale Geochemical Processes	81.049	Oak Ridge National Laboratory	4000172654	16,963
Total U.S. Department of Energy				151,712
U.S. Environmental Protection Agency, Prime -				
A Soil Bulk Density Metric to Improve Level 2 Assessments of Wetland Condition	66.461			49,568
U.S. Department of Health and Human Services, Prime -				
A Natural History Study of Buprenorphine Diversion Self-Treatment and Use of Drug Abuse	93.279			214,601
Cell Type-Specific Roles of Calpain-2 in Formation of Peripheral Myelinated Nerves	93.853			83,761
Determining if there is a Primary Myopathy in Huntington's Disease	93.853			114,718
Differential Clearance of Pyroglutamate Abeta through Arachnoid and Meningeal Lympathic	93.866			351,041
Discovery of Germline Genes and Regulatory Networks in Planarians	93.865			132,560
Disruption of Excitable Axonal Domains by Glucose Metabolite Methylglyoxal	93.853			310,426
DNA Damage Response Kinase Signaling in Non-Replicating Human Cells and Tissues	93.859			305,849
Dual Targeting Redox-active Gold(I) Therapeutics	93.395			136,042
eDarkTrends: monitoring cryptomarkets to identify emerging trends of illicit synthetic	93.279			53,665
ERK3 Kinase Signaling in Lung Cancer	93.396			150,477
Exosomes from miR-primed endothelial progenitor cells for treating ischemic stroke	93.853			260,167
Gene Regulatory Functions for the Nuclear Speckle Protein SON	93.859			106,707
Genetic Analysis of Mitochondria-dependent Cellular Toxicity of Alpha-synuclein	93.866			129,841
K-Ras Plasma Membrane Interactions: A Tractable Therapeutic Target	93.396			23,862
Managing Dementia through a Multisensory Smart Phone Application to Support Aging in Pl	93.879			81,338
Mechanisms of Neuroinflammatory Burden Following Early-life Stress	93.865			96,791
Mechanisms of Replication - Dependent Microsatellite Instability in Human Disease	93.859			272,327
Mechanisms of RNA Binding Proteins Rescuing FUS Induced Toxicity in Yeast	93.853			35,954
Mechanisms Underlying Excitability Regulation of Motoneuron Types in ALS	93.853			156,655
Microvesicles as a Novel Transmitter for UVB-Induced Bioactive Products	93.846			11,856
Noninvasive Characterization of Secondary Brain Injuries after Severe Acute Brain Injury	93.853			41,097
Novel Approaches to Therapy of Muscle Ion Channelopathies	93.846			501,293
Photodynamic Therapy-Induced Immune Modulation: Mechanisms and Influence on Therapeutic	93.846			(33)
Platelet Activating Factor and Epidermal Cytoxicity	93.837			893
Platelet Activating Factor and Epidermal Cytoxicity	93.839			325,140
Prevention of Adenovirus Pathogenesis Through Downregulation of the Apical Adenovirus R	93.855			265,626
Quantitative Fluorescence Imaging-Guided Detection and Targeted Therapy Monitoring Plat	93.394			134,666
Real-time Assessment of Dialogue in Motivational Interviewing training (ReadMI)	93.226			145,348
Reduced Motoneuron Excitability in Sepsis	93.853			(68,591)
Role of Calcineurin Isoforms in Renal Regulation of Blood Pressure	93.847			127,247
Role of Nuclear IL-2Ra in Regulation of Vascular Smooth Muscle Cell Senescence	93.866			7,627
Role of Slc12a5 in Insulin Secretion and Glucose Homeostasis	93.847			1,658
SCH: kHealth: Semantic Multisensory Mobile Approach to Personalized Asthma Care	93.865			129,269
Signaling Mechanism of the DNA Replication Checkpoint	93.859			199,958
Sodium Influx Assay for Measurement of TRPM7 Channel Activity in Intact Cells	93.855			55,758
The Offender Reentry Program	93.243			380,121

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Agency	Pass-through Agency Number	Total Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
U.S. Department of Health and Human Services, Prime(Continued) -				
TRPM7 and Cellular pH	93.855			$ 107,233
UVB Radiation-generated Microvesicle Particles as Effectors for Photosensitivity	93.113			100,127
Total U.S. Department of Health and Human Services, Prime				5,483,075
U.S. Department of Health and Human Services, Subcontract -				
A Cloud-based System for Scalable Privacy-preserving and Interactive Immune Repertoire	93.855	IMMUDX	R43AI136357-02	4,800
A Histamine Pharmacodynamic Biomarker to Guide Treatment in Pediatric Asthma	93.865	Children's Mercy Hospitals and Clinics	41613121 AMEND 1	11,377
A Single Conical Tube Device for Precision CAR-T Cells Manufacturing	93.395	Board of Trustees of the Nebraska State Colleges	24-1106-0010-003	5,946
African Ancestry Genomic Psychiatry Project	93.242	State Univ New York Research Foundation	1129280-72487	(339)
Blood Flow Velocimetry Using Digital Subtraction Angiography	93.837	Radiation Monitoring Devices, Inc.	2R44HL132664-02 (RMD C19-09) 2	41,792
Circadian Clock Disruption: A Risk Factor for Environmental Carcinogenesis	93.113	North Carolina State University	2021-0640-01	13,240
Crystal in the Gem City: Characterizing a Methamphetamine Outbreak in the Area of a High	93.279	Arizona State University	ASUB00000582;	72,909
CTRA - RICODIFY	93.360	Syneos Health, LLC	PROTOCOL SMT19969/C005	3,647
Developing Statistical Methods for Analyzing Somatic Mutations	93.393	Fred Hutchinson Cancer Research Center	0001006381; 223368	11,119
Developing Statistical Methods for Analyzing Somatic Mutations 20/21	93.393	Fred Hutchinson Cancer Research Center	0001045919 23368 60057011WSU	11,826
Development and Analysis of New Mathematical and Statistical Models for Chronic Pain an	93.213	Northwestern University	3R01AT01041303S1 00509380-	85,193
Identification of miRNA biomarkers of medical rehabilitation in 3 rehabilitation clinic	93.865	University of Alabama at Birmingham	SP-004-SC017	141,648
Impact of Rad-mediated Inhibition of Cav1.1 on Muscle Composition and Contractile Function	93.866	University of Maryland	F303313-1;1000004647;AMEND A	55,353
Pharmacokinetics of Oral L-citrulline in Infants at High Risk of Developing Pulmonary H	93.838	University of Utah	1004741-03 PO U000230459	16,164
SCH: INT: Collaborative Research: Development and Analysis of Integrative Models for Ch	93.213	Northwestern University	SP0050754-PROJ0014203 A03	61,662
Shear forces regulate endothelial and fibroblast cross talk via inflammation to produce	93.837	William Marsh Rice University	SUB R23161 AMEND 2	2,412
Strengthening Middle School Science and Health Education by Linking Grade-Level Inquiry	93.859	Curators of the University of Missouri	C00054701-1	30,529
Support of the COVID-19 Vaccine Communication and Education	93.069	Karna LLC	75D30121C10149	1,727
The Learning and Working During the Transition to Adulthood Rehabilitation Research and	93.433	University of Massachusetts Worcester	WA00767827/OSP2017118	446
The Maternal-Fetal Adiponectin Differential and Fetal Fat Deposition	93.847	UC San Diego	PO# 91932772	9,404
Total U.S. Department of Health and Human Services, Subcontract				580,855
Total U.S. Department of Health and Human Services				6,063,930
National Aeronautics and Space Administration, Subcontract -				
2020 SAE Baja Raider Racing	43.001	Ohio Space Grant Consortium	NNX15AL50H	1,913
2020 Solar Splash	43.001	Ohio Space Grant Consortium	OSGC CHECK#3061	1,753
MAVEN Mission	43.001	University of Colorado	PO 1000013110 REF 1546525 #33	194,621
SAE Aero Design 2020	43.001	Ohio Space Grant Consortium	CHECK#003069 DATED 12/13/19	1,033
Total National Aeronautics and Space Administration				199,320
National Endowment for the Humanities, Subcontract -				
Vetusta Monumenta: Ancient Monuments A Digital Edition	45.161	Curators of the University of Missouri	C00069588-1	39,990
National Science Foundation, Prime -				
Collaborative Research: Determining the fundamental cognitive properties of decision m	47.075			6,265
Collaborative Research: Dimensions US-Biota Sao Paulo: Chemically Mediated Multi-trop	47.074			33,306
Collaborative Research: I/UCRC Center for Surveillance Research - Phase II	47.041			86,948
Collaborative Research: Characterizing Active Learning Environments in Physics	47.076			2,187
Collaborative Research: Cyanobacteria; Nitrogen Cycling; and Export Production in the L	47.050			51,537
Collaborative Research: Data-driven integration of biological with in-silico experiment	47.074			58,235
Collaborative Research: Defects and Dopants in Critical Wide Band Gap Semiconductors	47.049			30,882
Collaborative Research: Examining the Role of Nitrogen Exchange in the Formation of Algae	47.074			2,568
Collaborative Research: Optimizing Trauma Care Network Design	47.041			16,614
EAGER: Bio-Inspired Low Probability of Detection Secure RF Waveform Design	47.041			21,954
Nutrients and Harmful Algal Bloom Activity on Lake Anna	47.070			15,173
RAPID: Collaborative Research: Faculty Social Networks Supporting Crisis Transitions	47.076			(142)
Regulated Sialylation Modulates Cardiac Excitability and Conduction	47.074			195
REU Site: Undergraduate Research in Intelligent Autonomous Vehicles	47.041			17,744
S&AS: INT: Collaborative: Goal-driven Marine Autonomy with Application to Fisheries Sc	47.070			111,761
WSU Students ASK: A Success & Scholarship Program for Students Applying Scientific Know	47.076			200,883
Total National Science Foundation, Prime				656,111
National Science Foundation, Subcontract -				
Anchoring High School Students in Real-life Issues that Integrate STEM Content and Lite	47.076	Curators of the University of Missouri	C00069314-1	11,760
Investigation of Mercury Contamination of Stream Water and Nearshore Biota Collected Al	47.050	University of Alaska at Fairbanks	1757348	6,060
Ohio LSAMP Alliance	47.076	The Ohio State University	SUB 60072135 PRIME 1817314	31,790
Research Initiation Award: Search for the Epigenomic Mechanisms of Paternal Inheritance	47.076	Central State University	8511-001	17,966
USF Funds - Regulated Sialylation Modulates Cardiac Excitability and Conduction	47.074	University of South Florida	CK#743324; IOS-1660928	1,053
Total National Science Foundation, Subcontract				68,629
Total National Science Foundation				724,740

See notes to the Schedule of Expenditures of Federal Awards.

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RESEARCH AND DEVELOPMENT CLUSTER (Continued)				
U.S. Department of Transportation, Prime -				
Development and Valid. of a Standard Color Palette and Updates to the FAA Color Std.	20.108			$ 5,036
U.S. Department of Transportation, Subcontract -				
Automated Scalable Firmware Analysis Through Static and Dynamic Analysis	20.614	Transportation Research Center, Inc.	PO#21119;693JJ918D000019	101,077
Mission-oriented Intelligent Firmware Modeling	20.614	Transportation Research Center, Inc.	SRA EXECUTED 9/13/19, 693JJ918	36,069
Total U.S. Department of Transportation, Subcontract				137,146
Total U.S. Department of Transportation				142,182
U.S. Department of Veterans Affairs, Prime -				
Dayton Veterans Affairs Medical Center IPA Agreement - Knisely	64.054			55,426
Dayton Veterans Affairs Medical Center IPA Agreement - Williams	64.054			12,431
Dayton Veterans Affairs Medical Center IPA Agreement Cates 2021-2024	64.054			26,215
Laboratory Animal Resources Care 2019-2023	64.054			22,548
VA Med Center IPA Thyagarajan GY20	64.054			13,088
VA Medical Center IPA Borchers GY20	64.054			7,688
VA Medical Center IPA Borchers GY21	64.054			26,594
VA Medical Center IPA Rapp GY20	64.054			18,576
VA Medical Center IPA Rapp GY21	64.054			37,706
VA Medical Center IPA Thyagarajan GY21	64.054			46,661
Veterans Affairs Annual Reporting Fee	64.032			7,384
Veterans Affairs Medical Center IPA Agreement - Williams	64.054			27,018
Total U.S. Department of Veterans Administration				301,335
TOTAL RESEARCH AND DEVELOPMENT CLUSTER				**19,398,566**
MEDICAID CLUSTER				
An Interactive Game for Cultural Proficiency Training Featuring Virtual Reality Immersion	93.778	The Ohio State University	60072602; RF01579739	4,816
An Interactive Game for Cultural Proficiency Training Featuring Virtual Reality Immersion	93.778	The Ohio State University	60077777; PO RF01613226	113,006
Diabetes Quality Improvement Project (QIP) (State)	93.778	Case Western Reserve University	RES515842; G-2021-05-0069	21,346
Diabetes Quality Improvement Project (QIP-Federal)	93.778	Case Western Reserve University	RES515836, G-2021-05-0069	8,504
GPRA Training/Data/Report SOR 2.0 2021	93.778	Ohio Department of Mental Health and Addiction Services	2100780, 1H79TI083294-01	275,994
MEDTAPP Diabetes Consortium	93.778	Case Western Reserve University	RES514856; ODM202016	5,321
MEDTAPP Diabetes Consortium FY21	93.778	Case Western Reserve University	RES515894; G-2021-05-0069	251,162
MEDTAPP Diabetes Quality Improvement Project (QIP)	93.778	Case Western Reserve University	G-2021-05-0069 (ODM202017)	5,522
MEDTAPP Diabetes Quality Improvement Project (QIP)	93.778	Case Western Reserve University	RES514889, G-2021-05-0069	2,720
MEDTAPP Ohio Cardiovascular Health Collaborative FY20	93.778	Case Western Reserve University	RES514874, G-2021-05-0069	129,723
The Ohio COVID-19 Schools Evaluation (OCSE)	93.778	The Ohio State University	SPC-1000004528; 60079907/79904	49,842
Virtual Reality: Educating Medicaid Providers on Health Disparities	93.778	University of Cincinnati	012351-002; 1905OH5ADM	4,493
TOTAL MEDICAID CLUSTER				**872,449**
477 CLUSTER				
Kinship Navigator Consortium FY 2020	93.558	Montgomery County Dept of Job and Family Services	RESOLUTION 20-0321; CE# 000091	41,015
Kinship Navigator Consortium CY 2021	93.558	Montgomery County Dept of Job and Family Services	RESOLUTION 20-1684; P000000753	37,247
TOTAL 477 CLUSTER				**78,262**
U.S. Department of Defense, Prime -				
Advanced Trauma Life Support Program	12.800			8,273
Aerospace Medicine Primary Course 101 (AMP 101)	12.800			3,648
The Dayton Metro Plan for Economic Diversity Phase II	12.614			429,985
United States Air Force School of Aerospace Medicine (USAFSAM) CBRNE Training Classes	12.800			13,217
Total U.S. Department of Defense, Prime				455,122
U.S. Department of Defense, Subcontract -				
Science Mathematics and Research for Transformation (SMART) Defense Scholarship Program	12.800	LMI	W911NF1720202	42,635
Total U.S. Department of Defense				497,758
U.S. Department of Education, Prime -				
ACHIEVE: A Chance to Have and Improve the Experience and Value of Education	84.335			174,293
COVID-19 Higher Education Emergency Relief Fund - Institutional	84.425F			3,278,403
COVID-19 Higher Education Emergency Relief Fund-Institutional Supplemental Funding	84.425F			12,320,140
COVID-19 Higher Education Emergency Relief Fund - Student	84.425E			6,332,706
Total U.S. Department of Education, Prime				22,105,542

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

A Component Unit of the State of Ohio
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Agency	Pass-through Agency Number	Total Federal Expenditures
U.S. Department of Education, Subcontract -				
CTAV FY21	84.048	Ohio Department of Higher Education	BOR01-0000007290	$ 956
GEAR UP Scholarship Program	84.334	Ohio Department of Higher Education	P334S140010	7,331
GEER Funding for College Student Mental Health	84.425C	Ohio Department of Higher Education	S425C200040	58,310
Support for Position of Senior Associate Director SCTAI FY2021	84.048	Ohio Department of Higher Education	BOR01-0000007119	59,293
Support for Position of Senior Associate Director SCTAI FY2021 Conrad	84.048	Ohio Department of Higher Education	BOR01-0000007118	88,849
Total U.S. Department of Education, Subcontract				214,739
Total U.S. Department of Education				22,320,281
U.S. Department of Health and Human Services, Prime -				
Accelerating Primary Care Transformation Wright (APCT-Wright)	93.884			623,821
Day-TREE	93.243			466,292
Disability and Rehabilitation Research Program	93.433			132,587
Peer Movement Project (PMP)	93.243			203,487
Sisterline: Substance Abuse Treatment and HIV Prevention for African-American Women	93.243			92,304
Virtual Office Space (VOS): Improving Employment Opportunities for Individuals FY20-21	93.433			186,521
Wright MAT	93.243			126,364
Wright State University Family Medicine Rural Residency Program	93.155			108,502
Total U.S. Department of Health and Human Services, Prime				1,939,878
U.S. Department of Health and Human Services, Subcontract -				
2018-2021 SAMHSA-funded MHAT Evaluation	93.243	Mt Olive Baptist Church		11,520
Child Welfare Workforce Professional Education Program FY20/FY21	93.658	Ohio Department of Job and Family Services	G-2021-06-0242 JFS010000026908	69,900
Dayton Police Department Mental Health Awareness Training Grant	93.243	City of Dayton Office of Management and Budget	RESOLUTION 6372-18; CT19-2342	13,068
Dayton Police Department Mental Health Awareness Training Grant	93.243	City of Dayton Office of Management and Budget	RESOLUTION 6372-18; CT19-2343	10,617
Evaluation of the Disaster Response State Grant Program	93.243	Montgomery County ADAMH Services Board	RESOLUTION #20-125	152,037
Evaluation of the Zero Suicide Project for Montgomery County	93.243	Montgomery County ADAMH Services Board	RESOLUTION# 20-138	11,449
GPRA Training Data Collection and Reporting for the Ohio Medication Assisted Treatment	93.243	Ohio Department of Mental Health and Addiction Services	2000487	24,576
GPRA Training Data Collection and Reporting for the Ohio Medication Assisted Treatment	93.243	Ohio Department of Mental Health and Addiction Services	2100422	37,312
GPRA Training/Data Collection/Reporting for the Ohio State Opioid Response (SOR) Project	93.788	Ohio Department of Mental Health and Addiction Services	2000486	153,011
GPRA Training/Data Collection/Reporting for the Ohio State Opioid Response (SOR) Project	93.788	Ohio Department of Mental Health and Addiction Services	2100421	63,448
GPRA Training/Data Collection/Reporting for the Ohio State Opioid Response (SOR) Project	93.788	Ohio Department of Mental Health and Addiction Services	2100777	73,456
Ohio's Coordinating Center of Excellence in Mental Health/Intellectual Disability	93.958	Ohio Department of Mental Health and Addiction Services	ALLOC20203455	15,626
Ohio's Coordinating Center of Excellence in Mental Health/Intellectual Disability	93.958	Ohio Department of Mental Health and Addiction Services	ALLOC20214560	86,824
PECE-PACT- Parents Early Childhood Education-Positive Action Choices Training FY2020	93.959	Montgomery County ADAMH Services Board	RESOLUTION#19-025	714
PECE-PACT- Parents Early Childhood Education-Positive Action Choices Training FY2021	93.959	Montgomery County ADAMH Services Board	RESOLUTION #20-022	53,065
Project Save Evaluation 19-20	93.243	Montgomery County ADAMH Services Board	RESOLUTION #17-064	8,101
Project Save Evaluation 20-21	93.243	Montgomery County ADAMH Services Board	RESOLUTION #17-064	23,999
Southwest Ohio Prevention Coordinator FY 2020-2021	93.590	Ohio Department of Job and Family Services	G-2021-22-0191; JFS01000024614	125,743
The Warriors Supporting Wellness (WSW) Project 2019-2021	93.243	Montgomery County ADAMH Services Board	TRACKING NUMBER 18-085	10,015
Total U.S. Department of Health and Human Services, Subcontract				944,481
Total U.S. Department of Health and Human Services				2,884,359
U.S. Department of Justice, Prime -				
Building Coordinated Community Response to Address Sexual Assault/Domestic Violence	16.525			15,055
U.S. Department of Justice, Subcontract -				
Continuation of Wrap Around Victim Services	16.575	Ohio Office of the Attorney General	2020-VOCA-132922085	22,403
On-Going Wraparound Services for Victims of Crime	16.575	Ohio Office of the Attorney General	2021-VOCA-133907861	34,513
Tactical Rescue and Medical Training	16.004	Bloodstone Division LLC	15A00021PAQA00272	5,005
Total U.S. Department of Justice, Subcontract				61,921
Total U.S. Department of Justice				76,976
National Aeronautics and Space Administration, Subcontract -				
NASA-OSGC Education Scholar FY21	43.001	Ohio Space Grant Consortium	OSGC CHECK# 003126	2,000
Ohio Space Grant Consortium Campus Allocation Funds 20-21	43.001	Ohio Space Grant Consortium	OSGC CHECK 003172	2,000
Ohio Space Grant Consortium FY2020 Scholarships	43.001	Ohio Space Grant Consortium	OSGC CHECK#003173	7,500
State of Ohio STEM/Education Scholarships and Fellowship	43.001	Ohio Space Grant Consortium	OSGC CHECK#003084	16,662
Total National Aeronautics and Space Administration				28,162
National Endowment for the Humanities, Subcontract -				
Veterans Across the Spectrum: Transition to Transformation	45.129	Ohio Humanities Council	ME19-038	5,690

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

A Component Unit of the State of Ohio

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2021

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-through Agency	Pass-through Agency Number		Total Federal Expenditures
U.S. Department of Treasury, Subcontract -					
Dormitory Wastewater Monitoring of SARS-CoV-2 at Wright State University	21.019	The Ohio State University	GR122956 SPC 1000004753	$	120,533
CARES Act Coronavirus Relief Fund	21.019	Ohio Department of Higher Education	BOR01B0024750		5,436,384
CARES Act Coronavirus Relief Fund Mental Health	21.019	Ohio Department of Higher Education	BOR0100076140		136,940
CARES Act Coronavirus Relief Fund Round 2 Supplement	21.019	Ohio Department of Higher Education	SLT0018SKT0234		2,726,577
Total U.S. Department of Treasury					8,420,434
TOTAL EXPENDITURES OF FEDERAL AWARDS				**$**	**144,538,885**

See notes to the Schedule of Expenditures of Federal Awards.

(Continued)

WRIGHT STATE UNIVERSITY

A Component Unit of the State of Ohio
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021

Schedule of Amounts Passed-Through to Subrecipients

Subrecipient Name	Federal Assistance Listing Number	Program Title	Total Federal Expenditures
Adams and Brown Counties	93.590	Southwest Ohio Prevention Coordinator FY 2020-2021	$ 14,673
ARCTOS Technology Solutions LLC	81.086	Accelerating Additive Manufacturing Process Design for Energy Conversion Materials usin	21,070
Arizona State University	93.279	A Natural History Study of Buprenorphine Diversion Self-Treatment and Use of Drug Abuse	34,860
Bowling Green State University	11.417	Assessing Nitrogen Dynamics in a Closed Integrated Aquaponics System	3,442
C H Smith & Associates LLC	93.590	Southwest Ohio Prevention Coordinator FY 2020-2021	8,548
Cal Poly Pomona Foundation, Inc.	93.853	Determining if there is a Primary Myopathy in Huntington's Disease	29,060
Clark University	12.420	Evaluation of a Brief Marriage Intervention for Internal Behavioral Health Consultants	9,018
Columbia University	93.279	A Natural History Study of Buprenorphine Diversion Self-Treatment and Use of Drug Abuse	2,485
David L. Post	20.108	Development and Validation of a Standard Color Palette and Updates to the FAA Color Sta	1,400
Emory University	93.847	Role of Calcineurin Isoforms in Renal Regulation of Blood Pressure	3,781
Emory University	93.853	Disruption of excitable axonal domains by glucose metabolite methylglyoxal	71,639
Emory University Total			**75,420**
George Washington University	81.086	Accelerating Additive Manufacturing Process Design for Energy Conversion Materials usin	22,823
Human Solutions Inc	20.108	Development and Validation of a Standard Color Palette and Updates to the FAA Color Sta	1,519
Indiana University	12.300	Alternate Tinnitus Management Techniques Developed Using Blood-Oxygen-Level-Dependent M	86,555
Kairos Research LLC	12.910	Recovering the Sources of Individual Differences Unduly-named Errors (ReSIDUE)	211,167
Kansas State University	12.800	Toward Undifferentiated Cognitive Agents: Determining Gaps in Comprehension	100,711
Kansas State University	12.910	Recovering the Sources of Individual Differences Unduly-named Errors (ReSIDUE)	72,232
Kansas State University Total			**172,943**
MonDay Community Correctional Institute	93.243	The Offender Reentry Program	95,539
Mount Olive Baptist Church	93.243	Sisterline: Substance Abuse Treatment and HIV Prevention for African-American Women at	20,000
New York University	12.420	Lesbian/Gay and Bisexual Couples in the Military: A Post-DADT Examination of Relationsh	95,883
Ohio University	12.910	Assured Digital Microelectronics Education & Training Ecosystem (ADMETE)	194,136
Parallax Advanced Research Corp	12.614	The Dayton Metro Plan for Economic Diversity Phase II	421,637
Parallax Advanced Research Corp	12.800	Interactions with Semi-Autonomous Remotely Piloted Vehicles (RPA)	134,648
Parallax Advanced Research Corp	12.800	Revolutionary Intelligence and Influence Technologies (RIIT)	358,519
Parallax Advanced Research Corp	12.910	Recovering the Sources of Individual Differences Unduly-named Errors (ReSIDUE)	97,720
Parallax Advanced Research Corp Total			**1,012,524**
Public Health Dayton and Montgomery County	93.243	Sisterline: Substance Abuse Treatment and HIV Prevention for African-American Women at	8,557
Richard E. Heyman	12.800	Up-Armoring At-Risk Military Couples	61,660
Rush University Medical Center	93.866	Differential Clearance of Pyroglutamate Abeta through Arachnoid and Meningeal Lympathic	38,980
State University of New York at Buffalo	93.394	Quantitative Fluorescence Imaging-Guided Detection and Targeted Therapy Monitoring Plat	32,680
The Ohio State University	12.800	Synthesis Exploitation Analysis and Belief for Autonomous Sensor Systems (SEABASS)	570,883
The Ohio State University	93.855	Prevention of Adenovirus Pathogenesis Through Downregulation of the Apical Adenovirus R	27,478
The Ohio State University Total			**598,361**
The Research Foundation for SUNY	12.420	Lesbian/Gay and Bisexual Couples in the Military: A Post-DADT Examination of Relationsh	33,149
The Salk Institute for Biological Studies	12.300	Precision High Intensity Training through Epigenetics (PHITE)	502,681
The University of Akron	12.910	Assured Digital Microelectronics Education & Training Ecosystem (ADMETE)	75,253
The University of Michigan	12.800	Synthesis Exploitation Analysis and Belief for Autonomous Sensor Systems (SEABASS)	58,588
University of Alabama at Birmingham	12.300	Precision High Intensity Training through Epigenetics (PHITE)	681,713
University of Arizona	12.800	Synthesis Exploitation Analysis and Belief for Autonomous Sensor Systems (SEABASS)	90,316
University of New South Wales	93.279	eDarkTrends: monitoring cryptomarkets to identify emerging trends of illicit synthetic	19,830
University of Pennsylvania	12.800	Sensor and Information Research Center for Understanding Systems SIRCUS	128,053
University of Pennsylvania	12.800	Synthesis Exploitation Analysis and Belief for Autonomous Sensor Systems (SEABASS)	80,447
University of Pennsylvania Total			**208,500**
University of South Carolina	93.279	eDarkTrends: monitoring cryptomarkets to identify emerging trends of illicit synthetic	26,088
University of South Carolina	93.865	SCH: kHealth: Semantic Multisensory Mobile Approach to Personalized Asthma Care	120,200
University of South Carolina Total			**146,288**
University of Texas at Austin	93.395	Dual Targeting Redox-active Gold(I) Therapeutics	23,401
University of Toledo	12.910	Assured Digital Microelectronics Education & Training Ecosystem (ADMETE)	64,016
Youngstown State University	12.910	Assured Digital Microelectronics Education & Training Ecosystem (ADMETE)	739,564
			$ 5,496,602

A. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") has been prepared using the accrual basis of accounting in accordance with the format as set forth in 2 CFR 200 (Uniform Guidance) Subpart F, *Audit Requirements,* issued by the United States Office of Management and Budget. The Schedule reflects the expenditures of Wright State University under programs financed by the U.S. government for the year ended June 30, 2021. Because the schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position or cash flows of the University.

For purposes of the Schedule, expenditures of federal awards include the following:

- Direct federal awards
- Federal Direct Student Loans processed by the University
- Outstanding balances of federal loan programs administered by the University
- Pass-through funds received from non-Federal organizations made under federally sponsored programs conducted by those organizations.

Awards are classified into major program and non-major program categories in accordance with the provisions of the Office of Management and Budget (OMB) 2 CFR 200 (Uniform Guidance) Subpart F, *Audit Requirements*. Federal Assistance Listing Numbers (FALN) or Primary Grant Numbers are presented for those programs for which such numbers are available.

Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

The University did not elect to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs.

B. FEDERAL DIRECT STUDENT LOANS

The University is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loan program (FALN Number 84.268). Therefore, only new loans made during the year are reflected in the schedule.

C. FEDERAL LOAN PROGRAMS

The federal loan programs listed subsequently are administered directly by the University and balances and transactions relating to the programs are included in the University's financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule.

Total loan balances outstanding of the U.S. Department of Education and the U.S. Department of Health and Human Services student financial assistance loan programs for the fiscal year are identified below:

	Federal Assistance Listing Number	Outstanding Balance at June 30, 2021
Federal Perkins Loan Program	84.038	$ 5,166,439
Nurse Faculty Loan Program	93.264	23,752
Health Professions Student Loans	93.342	11,014
Loans for Disadvantaged Students	93.342	37,947
Nursing Student Loan Program	93.364	768,435
Primary Care Loans	93.342	257,583

D. PERSONAL PROTECTIVE EQUIPMENT (PPE) (Unaudited)

The University received donated PPE during the year with an approximate fair market value of $26,700.

BKD
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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*

Independent Auditor's Report

Board of Trustees
Wright State University
Dayton, Ohio

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 and discretely presented component unit of Wright State University (University), collectively a component unit of the State of Ohio, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 14, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing 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 the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University'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 results 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.

BKD, LLP

Cincinnati, Ohio
October 14, 2021

BKD
CPAs & Advisors

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Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Trustees
Wright State University
Dayton, Ohio

Report on Compliance for Each Major Federal Program

We have audited Wright State University's (University) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2021. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles*, and *Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BKD, LLP

Cincinnati, Ohio
December 15, 2021

Wright State University
A Component Unit of the State of Ohio
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)?	☐ Yes	☒ None reported
Material weakness(es)?	☐ Yes	☒ No

3. Noncompliance considered material to the financial statements was disclosed by the audit? ☐ Yes ☒ No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)?	☐ Yes	☒ None reported
Material weakness(es)?	☐ Yes	☒ No

5. The opinion expressed in the independent auditor's report on compliance for major federal award programs was:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)? ☐ Yes ☒ No

7. The University's major programs were:

Cluster/Program	CFDA Number
Student Financial Assistance Cluster	84.007, 84.033, 84.038, 84.063, 84.268, 93.264, 93.342, 93.364
COVID-19 Higher Education Emergency Relief Funds	84.425C, 84.425E, 84.425F
COVID-19 Coronavirus Relief Fund	21.019

8. The threshold used to distinguish between Type A and Type B programs was $1,637,488.

9. The University qualified as a low-risk auditee? ☒ Yes ☐ No

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding

No matters are reportable.

Findings Required to be Reported by the Uniform Guidance

Reference Number	Finding

No matters are reportable.

Wright State University

A Component Unit of the State of Ohio

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2021

Reference Number	Summary of Finding	Status
2020-001	***Criteria or Specific Requirement -*** Management is responsible for establishing and maintaining effective control over financial reporting, including preparing annual financial statements in accordance with generally accepted accounting principles.	Resolved
2019-002	***Federal Program*** **-** Research and Development Cluster ***CFDA Number*** - Various ***Sponsoring Agency*** - All Research and Development ***Sponsor Award Number*** - Various ***Award Period*** - Various Allowable Costs/Cost Principles - Management is responsible for ensuring charges to Federal awards for salaries and wages are based on records that accurately reflect the work performed, including support for the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. (2 CFR 200.430(i)). Management reported that established time and effort certification procedures had not been completed during the year.	Resolved

OHIO AUDITOR OF STATE
KEITH FABER

WRIGHT STATE UNIVERSITY

GREENE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.

Certified for Release 12/30/2021

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