SOUTHEAST MISSOURI
STATE UNIVERSITY · 1873®

Office of the President

NOTICE OF MEETING OF THE BOARD OF GOVERNORS

Notice is hereby given this twenty-first day of February 2024 that the Board of Governors of Southeast Missouri State University will convene at 2:00 p.m., on Thursday, February 22, 2024, and again at 9:00 a.m. on Friday, February 23, 2024 in the Academic Hall Board Room on the main campus of Southeast Missouri State University, Cape Girardeau, Missouri.

The tentative agenda is attached to this notice and includes a vote to close the meeting on February 23rd for consideration of matters authorized by statute, including, 610.021(1), (2), (3), (12), and (13) of the Revised Statutes of Missouri.

Representatives of the news media may obtain copies of this notice by contacting:

Tonya Wells
Asst. Vice President, Marketing & Communications
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Christopher R. Martin
Board of Governors' Secretary

BOARD OF GOVERNORS
2:00 p.m., Thursday, February 22, 2024
Academic Hall Board Room*

WORK SESSION AND
COMMITTEE MEETINGS
AGENDA

Committee Meeting Times are Estimated

1. **General Business** (2:00-2:10 p.m.)
   (Governor Klocke)
   a. Welcome and Call to Order
   b. Roll Call of Members and Determination of Quorum
   c. Review Minutes of Dec. 14 and 15, 2023 *(Attachment A)*
2. **Academic & Student Engagement Committee** (2:10-2:50 p.m.)
   (Governor Smith)
   a. Review Items on Next Day's Agenda
      i. Academic Program Changes *(Attachment D)*
         - Harrison College of Business and Computing: New Program – Certificate in Management
         - College of Education, Health and Human Studies: New Program – Minor in E-Sports
         - College of Humanities and Social Sciences: Program Title Change – BS Corporate Communications to Organizational Communications
   b. Report Item
      i. Spring 2024 Census and Fall 2024 Projected Enrollment
3. **Break** (2:50-3:00 p.m.)
4. **Finance & Audit Committee** (3:00-3:50 p.m.)
   (Governor Limbaugh)
   a. Review Items on Next Day's Agenda
      i. Proposed Fiscal Year (FY) 2025 Residence Life Room and Board Rates *(Attachment E)*
      ii. Annual Audits from Rubin Brown for Year Ending June 30, 2023 *(Attachment F)*
      iii. Progress Report on Contracts and Facilities Management *(Attachment G)*
      iv. FY24 Operating Budget to Actual Report *(Attachment H)*
      v. Faculty and Staff Personnel Actions *(Attachment I)*
   b. Report Item
      i. Update on Protiviti Engagement

5. **Break** (3:50-4:00 p.m.)
6. **University President's Items** (4:00-5:20 p.m.)
    a. Review Items on Next Day's Agenda
        i. Revised University Business Policy 01-04, Alcoholic Beverage Use *(Attachment C)*
    b. Report Item
        i. Huron Consulting Presentation on College Athletics
7. **General Business** (5:20-5:30 p.m.)
    a. Other Matters for Discussion
    b. Review Schedule and Logistics for Next Day's Meeting

BOARD OF GOVERNORS MEETING
9:00 a.m., Friday, February 23, 2024
Academic Hall Board Room*

Open Agenda

1. **General Business**
   (Governor Klocke)

   a. Action Item(s)

      i. Welcome and Call to Order

      ii. Roll Call and Determination of Quorum

      iii. Consideration of Minutes of December 14, 2023 Work Session and December 15, 2023 Open Session Meeting **(Attachment A)**

2. **University President's Items**
   (University President Vargas)

   a. Report Item(s)/Information

      i. University President's Report

      ii. Student Presentation **(Attachment B)**

      iii. Report from Student Government

      iv. Report from Faculty Senate

   b. Action Item

      i. Revised University Business Policy 01-04, Alcoholic Beverage Use **(Attachment C)**

3. **Academic & Student Engagement Committee**
   (Governor Smith)

   a. Action Item(s)

      i. Consideration of Academic Program Changes **(Attachment D)**
         - Harrison College of Business and Computing: New Program – Certificate in Management
         - College of Education, Health and Human Studies: New Program – Minor in E-Sports
         - College of Humanities and Social Sciences: Program Title Change – BS – Corporate Communication → Organizational Communication

4. **Finance & Audit Committee**
   (Governor Limbaugh)

   a. Action Item(s)

      i. Consideration of Proposed Fiscal Year (FY) 2025 Residence Life Room and Board Rates, Effective Fall 2024 **(Attachment E)**

      ii. Consideration of Annual Audits from Rubin Brown for Year Ending June 30, 2023 **(Attachment F)**

         - Annual Financial Report
         - Systems Facilities Financial Report
         - Single Audit Report on Schedule of Expenditures of Federal Awards
         - Report on NCAA Independent Auditor's Report on Agreed Upon Procedures

   b. Report Item(s)/Information

      i. Progress Report on Contracts and Facilities Management **(Attachment G)**

      ii. FY24 Operating Budget to Actual Report **(Attachment H)**

      iii. Faculty and Staff Personnel Actions **(Attachment I)**

5. **General Business**
   (Governor Klocke)

   a. Action Item(s)

      i. Convene Closed Session for Appropriate Considerations Pursuant to Sections 610.021(1), (2), (3), (12) and (13) of the Revised Statutes of Missouri

      ii. Reconvene Open Session

      iii. Announcements of Actions Taken in Closed Session

      iv. Adjourn Board of Governors Meeting

Accessible to Physically Handicapped or Disabled

**MINUTES OF THE WORK SESSION
AND
COMMITTEE MEETINGS
OF THE
SOUTHEAST MISSOURI STATE UNIVERSITY
BOARD OF GOVERNORS
HELD ON THE
FOURTEENTH DAY OF DECEMBER 2023**

The Board of Governors for Southeast Missouri State University convened in a Work Session on Thursday, December 14, 2023, at approximately 2:03 p.m., in the Academic Hall Board Room, on the campus of Southeast Missouri State University in Cape Girardeau, MO. Mrs. Tina L. Klocke, President of the Board of Governors called the meeting to order. Governors present were: Mrs. Tina L. Klocke, President of the Board of Governors; Mr. James P. Limbaugh, Vice President of the Board of Governors; Mr. David C. Martin; Dr. Andrew J. Moore; Mr. Kerry K. Robinson; Mr. Lloyd F. Smith; and Clayton Eftink, Student Representative to the Board of Governors. Quorum having been established, Board President Klocke welcomed those in attendance and proceeded to the agenda.

Others in attendance included: Dr. Carlos Vargas, University President; members of Executive Staff; Dr. Brad Sheriff, Vice President of Finance and Administration and Board Treasurer; Mr. Christopher R. Martin, Board Secretary; the Academic Deans; and Ms. Amanda Lincoln.

GENERAL BUSINESS

Prior to beginning, Board President Klocke reminded the board that no action would be taken during the work session, but rather, all votes would take place during the full business meeting the next day.

Board President Klocke reviewed the consent agenda which included the minutes of September 21 and 22, 2023, and appointments to the River Campus Board of Managers and the Show Me Center Board of Managers. There were no issues with the matters presented.

Board President Klocke then called on Board Secretary Martin to review the addition of a new policy statement 01-20 Social Media in the University's Business Policy and Procedures Manual. Board members commented on the significance of social media and the ramifications it can have and asked questions regarding its application to students, faculty and staff and how it will be communicated to the University community. There were no concerns with the overall proposal.

FINANCE & AUDIT COMMITTEE

Governor Limbaugh called on Dr. Brad Sheriff, Vice President of Finance and Administration to preview the items for the next day's agenda.

First, Dr. Sheriff reviewed an item that would provide signature authority for the new Controller. There were no concerns with this item.

Next, Dr. Sheriff summarized several proposals to revise policies, or add new ones, to the Information Technology section of the University's Business Policy and Procedures Manual. He received one question inquiring how the new items would be communicated to the University community. Other than the inquiry, there were no additional comments concerning the items presented.

Lastly, Dr. Sheriff presented reports dealing with contracts and facilities management, FY24 Operating Budget to Actual, and faculty and staff personnel items. There were no stated objections or concerns with the items presented.

UNIVERSITY PRESIDENT'S ITEMS

Mr. Wendell Snodgrass, Vice President for University Advancement, provided a divisional overview and update on the Advancement Division, including an update on the *Transforming Lives* comprehensive fundraising campaign.

ACADEMIC & STUDENT ENGAGEMENT COMMITTEE

Governor Smith called on Dr. Mike Godard, Provost to preview the items for the next day's agenda, which began with a summary of proposed academic program changes in the College of Education, Health and Human Studies; and the College of Humanities and Social Sciences. In follow-up a board member asked how information related to the College of Humanities and Social Sciences item would be marketed and shared with external constituents. Dr. Godard replied that Academic Affairs will coordinate with Southeast Online and the Office of Marketing and Communications. Dr. Godard also discussed the conferral of degrees for fall 2023. There were no stated objections or concerns with the items presented.

GENERAL BUSINESS

A motion was made by Governor Limbaugh and seconded by Governor Martin to recess the Open Work Session and convene Closed Session pursuant to Sections 610.021(13) of the Revised Statutes of Missouri. A roll call vote was taken. Voting in favor were Governors Klocke, Limbaugh, Martin, Moore, Robinson, and Smith. The motion carried. The Open Session was recessed at approximately 3:08 p.m.

The Board resumed the Open Work Session at approximately 6:22 p.m. Board Secretary Martin stated the following with regard to the Board's Closed Session:

- Pursuant to RSMo 610.021(13) the Board had personnel discussions with the Academic Deans and the Vice President of Enrollment Management and Student Success. No action was taken.

- By a vote of 6 to 0 the Board adjourned the Closed Session and reconvened the Open Work Session. Governors Klocke, Limbaugh, Martin, Moore, Robinson, and Smith voted to approve.

Prior to adjournment, Board President Klocke asked Board Secretary Martin to review the logistics for the next day's (December 15, 2023) meeting.

A motion to adjourn was made by Governor Limbaugh and seconded by Governor Smith to adjourn the work session meeting. The motion carried unanimously.

The meeting adjourned at approximately 6:23 p.m.

Christopher R. Martin
Secretary, Board of Governors

APPROVED:

Tina L. Klocke
President, Board of Governors
Southeast Missouri State University

MINUTES OF THE OPEN SESSION
OF THE
SOUTHEAST MISSOURI STATE UNIVERSITY
BOARD OF GOVERNORS
HELD ON THE
FIFTEENTH DAY OF DECEMBER 2023

The Board of Governors for Southeast Missouri State University convened Open Session on Friday, December 15, 2023, at approximately 9:09 a.m., in the Academic Hall Board Room, on the campus of Southeast Missouri State University in Cape Girardeau, MO. Mrs. Tina L. Klocke, President of the Board of Governors called the meeting to order. Governors present were: Mrs. Tina L. Klocke, President of the Board of Governors; Mr. James P. Limbaugh, Vice President of the Board of Governors; Mr. David C. Martin; Dr. Andrew J. Moore; Mr. Kerry K. Robinson; and Mr. Lloyd F. Smith. Student Representative was not in attendance due to an academic-related conflict. Quorum having been established, Board President Klocke welcomed those in attendance and outlined the Board's various agendas for the meeting.

Also present were: Dr. Carlos Vargas, President of Southeast Missouri State University; members of Executive Staff, including, Dr. Mike Godard, Dr. Debbie Below, Mr. Wendell Snodgrass, Mr. Dan Presson, Mr. Brady Barke, Dr. Nora Bouzihay, and Ms. Tonya Wells. Other attendees included representatives from Faculty Senate and Student Government, Dr. Bruce Skinner, Ms. Katie Krodinger, and Ms. Amber Capps. Dr. Brad Sheriff, Board Treasurer; and Mr. Christopher R. Martin, Board Secretary, were present too. Board President Klocke presided.

CONSENT AGENDA

Board President Klocke introduced consideration of approval of the Consent Agenda, which included the following items:

- Consideration of Approval of Minutes of September 21, 2023 Work Session and September 22, 2023 Open Session Meetings [Attachment A]
- Consideration of Appointment to the Show Me Center Board of Managers [Attachment B]
- Consideration of Appointment to River Campus Board of Managers [Attachment C]

A motion was made by Governor Limbaugh and seconded by Governor Martin to approve the Consent Agenda and its associated items. The motion carried unanimously.

CONSIDERATION OF SOCIAL MEDIA POLICY

Board President Klocke called on Board Secretary Martin to present a motion to approve the addition of a new policy statement 01-20 Social Media in Section 01, Administration of the Business Policy and Procedures Manual [Attachment D].

Board Secretary Martin referred to the materials in the board packet and invited questions from the Board. Hearing none, the board proceeded to a vote.

A motion was made by Governor Martin and seconded by Governor Robinson to approve the addition of a new policy statement 01-20 Social Media in Section 01, Administration of the Business Policy and Procedures Manual [Attachment D]. The motion carried unanimously.

UNIVERSITY PRESIDENT'S REPORT

Board President Klocke called upon University President Vargas to deliver his University President's Report. University President Vargas referred Governors to a print-out of division highlights and accomplishments as provided by members of Executive Staff, which included the following:

- Southeast Missouri State President Dr. Carlos Vargas was elected to the American Association of State Colleges and Universities' (AASCU) Board of Directors at the AASCU annual conference this fall. AASCU is a higher education association of 350 public colleges, universities, and systems.
- This fall, the University's Department of Public Safety (DPS) has provided active shooter training to all incoming freshman through the university's UI100 courses. In the spring, DPS will start to offer mandatory trainings for all faculty and staff. Trainings will continue through the summer, as well as take place annually for areas of the university such as, but not limited to, Facilities Management and Residence Life.
- Throughout the fall semester the University has met with representatives from the Sikeston community to discuss ways to enhance the partnership between the University, the Sikeston R-6 School District, Sikeston businesses, and the greater Sikeston community. Some of the areas of collaboration discussed included, but are not limited to, Autism services, alternative teacher certification, and review of the agreement between the University and the City of Sikeston providing for an advisory board and other engagements between the parties. Conversations are ongoing and will likely continue throughout the spring semester.
- Through conversations with the Sikeston Regional Chamber and Area Economic Development Corporation, the University's Office of Economic and Workforce Development will begin offering entrepreneurial trainings, small business support, and other workforce related trainings in Sikeston. The trainings and other activities are expected to start during the spring semester, and they will primarily take place in a space in downtown Sikeston that the University partnered in as part of a MoExcels grant from the State of Missouri.
- On November 6, the University hosted a Legislative Briefing in anticipation of the 2024 legislative session. The briefing was attended by eight state legislators, three staff members representing the offices of Congressman Jason Smith and Senators Josh Hawley and Eric Schmitt, and members of the Board of Governors and University administration. The agenda included an update on university plans, including a discussion of the *Transforming Lives* campaign and Modern Campus Transformational Project. It also included a review of the University's 2024 legislative and capital priorities, which include pursuing an increase in core operating support, capital funding to assist in additional components of the University's Modern Campus Transformational Project, and

the consideration of new decision items to help the University address critical deferred maintenance and other areas of the university.

- Southeast has entered into an agreement with St. George's University in Grenada to offer SEMO students a direct admission pathway to medical school or veterinary school. The agreement offers both a 4+4 and a 3+4 program. This opportunity is available to both domestic and international students.
- SEMO and Saint Francis Healthcare System signed an agreement to partner in offering an online Bachelor of Applied Science in Allied Health. The degree is designed for any student with an Associate of Applied Science in radiologic technology or diagnostic medical sonography. The degree will provide the theoretical knowledge required for post-primary exams and prepare students for medical careers such as MRI or CT technology, cardiac or vascular interventional radiography, or other related medical imaging fields. In addition to the degree's curriculum, employees of Saint Francis are eligible for an additional 16 hours of continuing education through Saint Francis that will allow them to sit for imaging certification exams.
- The Federal Aviation Administration (FAA) has selected Southeast for the Unmanned Aircraft Systems-Collegiate Training Initiative program. The program recognizes institutions that prepare students for careers in UAS/drones.
- On December 1st, the University hosted a ribbon cutting event to celebrate the launch of its new Transfer Center in the Office of Admissions. The new Transfer Center will serve as a one-stop resource for students transferring to Southeast, from recruitment to enrollment. The same team members who will advise and enroll students in their first semester will be available to answer questions and provide support with one office helping students navigate the process. The Center will also assist in building and maintaining community college partnerships through articulation agreements, transfer pathways, and transfer partnerships.
- Work on the University's Modern Campus Transformational Project continues. A team of internal stakeholders, supported by the Lawrence Group, continues to work on the Health Sciences Building which is scheduled to open in fall 2026. Additionally, Facilities Management, Athletics, and others have been meeting with the Lawrence Group and their partners to discuss additional phases of the Houck Project, which is one of several components of the Modern Campus Transformational Project. All this work is critical as we continue to engage with donors and the community as part of our *Transforming Lives* campaign. It is anticipated that additional information will be ready by early-to-mid spring that could include timelines, design elements, and renderings.
- The University is working to finalize a Memorandum of Understanding with KFVS-12 and their parent company, Gray Television to increase the development of mass media talent and to enhance opportunities for students that are interested in a career in mass media, communications, bilingual journalism, sales, marketing, Spanish, or a related area of study. This collaboration will provide paid internships for qualifying students from SEMO and/or SEMO partner institutions in Puerto Rico, as well as give them opportunities to participate in Gray Television's national talent pool. Students that participate in this program will have the opportunity to receive appropriate academic and internship credits.

- The University is finalizing a lease with Arsenal Business Growth for them to occupy space in Catapult Creative House. This unique partnership between a private company and a public university will bring experiential learning, employment, and on-the-job business skill building to the SEMO campus. In addition to providing opportunities for students, this partnership will benefit the community by bringing a new business to Cape Girardeau.
- The table below provides a sample summary of activities, events, and meetings that the University President engaged in since the September Board meeting:

Engagement	**No. of Engagements**	**Sampling of Engagements**
Student Events	14	Athletic Events/Competitions, River Campus Events/Activities, Marching Band Trip, Presidential Ambassadors, Greek Life, Coffees/Lunches with Students, Graduation-related events
OVC & NCAA Meetings	4	Committees & Presidents'
Community Visits/Events	23	Meeting with Old Town Cape, Meetings and events with Saint Francis Medical Center, St. Louis Hispanic Chamber of Commerce Gala, Meeting with CTC, Coffee with the President in St. Charles, Lift for Life visit, SEEDS Event, Cape Chamber events, Visits with United Way, Meetings with Airport, Sikeston Chamber Gala, SAHEC Meetings, Missouri Chamber trip to North Carolina
Legislative Outreach & State Higher Ed Meetings	8	Meeting with Three Rivers College, Meeting with Ranken, COPHE, CBHE, Legislative Briefing, Meetings/Events involving local legislators
Board Meetings	8	Foundation Board, Campaign Steering Committee, SE MO Redi, Boy Scouts, AASCU

- In October 2023, the Accreditation Commission of the Council for Interior Design Accreditation (CIDA) granted accreditation to the interior design program. The program was awarded accreditation for the standard term of six years and is scheduled to be reassessed in 2029.
- The Arrow staff received a record 10 awards from the ACP/CMA Fall National College Media Convention in Atlanta held Oct. 31-Nov. 2.
- The SEMO University Marching Band performed exhibitions at Jackson High School Band Festival, Washington High Schools Marching Band Festival, and at the Band of America Super Regional at the Lucas Oil Stadium in Indianapolis, Indiana (SEMO was one of only two universities invited). This year's band is one of the largest in decades.

- The Office of Educator Preparation in the College of Education, Health, and Human Studies began offering substitute teacher trainings in July. This initiative is designed to assist area school districts in addressing substitute teacher shortages. The trainings have been held across the region, from as far north as Perryville to as far south as Poplar Bluff. Thus far 160 individuals have completed substitute teacher trainings.
- Deans and faculty from the Holland College of Arts and Media and the College of Education, Health and Human Studies visited Lift for Life Academy on November 7. The visit included interaction of faculty with students and faculty, including recruiting faculty and staff into graduate programs in education. On November 28, Dr. Vargas, Dr. Godard, and Dean Pujol visited with Lift for Life Charter Liaison, Diana Bourisaw and Maureen Clancy-May from the DESE Office of Quality Schools. This discussion centered on SEMO's upcoming charter sponsor review.
- In preparation for initiating the first Pathways for Paraprofessionals cohort, personnel in the Office of Educator Preparation in the College of Education, Health, and Human Studies have meet with paraprofessionals and aides in the Sikeston and Jackson School Districts. The sessions focused on an education pathway for paraprofessionals, who are not licensed teachers, to help them attain certification as a special education teacher. Over 70 paraprofessionals and aides in the Sikeston School District and over 100 in the Jackson School District attended these sessions.
- On November 21, 2023 the Federal Aviation Administration approved its Air Agency Certificate to Southeast Missouri State University through the Professional Pilot program. This certifies that Southeast has met all the part 141 Federal Aviation Regulations to be able to teach Pilot Ground School and airplane ratings in Private Pilot, Instrument Rating, Commercial Pilot, Flight Instructor, and Flight Instructor Instrument. This covers all the 'ground' classes within our aviation program. This certification makes possible the application to allow for Airline Transport Pilot Certification with Reduced Aeronautical Experience. This 'Reduced ATP' greatly reduces the number of flight hours required for students to apply for ATP privileges. Miranda Sullivan, Southeast's Director of Aviation Operations, has been instrumental in the University's work with the FAA on both topics.
- The Office of Admissions recently conducted a review of the Student Ambassador program and determined it was necessary to relaunch the program with new requirements, expectations, pay scale, and enhanced training and leadership development. Ambassadors play a crucial role in the recruitment efforts of Southeast. As one of the most trusted sources in the admissions process, Ambassadors provide the authentic representation of the SEMO undergraduate experience. Requirements now include: 1) Completed one semester at Southeast, 2) If applying as a graduate student, must have earned a bachelor's degree from Southeast, 3) Actively involved in one or more student organizations, 4) 2.5 cumulative GPA, 5) Availability to lead a minimum of 3 tours per month, 1 Saturday tour per month, and attend three Saturday Show Me Day programs annually, 6) A great smile and friendly disposition! 7) Enjoy walking and talking!, and 8) An interest in helping others achieve their dreams! Effective January 1, 2024, Student Ambassadors will be paid a $12.30 wage rate, matching the state of Missouri minimum wage rate.
- "The SEMO eSports Club requested and received a $92,050 allocation from Student Government to replace the 12 existing gaming computers and add 13 new gaming

computers to the eSports Arena in Towers Complex. The additional computers will allow for expanded competitive play and support nine eSports teams. The current eSports Club has more than 350 active members."

- Southeast has contracted with Ruffalo Noel Levitz (RNL®) for use of RNL yield and financial aid solutions. RNL's Advanced FinAid Solutions' data-driven approach will be used to align financial aid awarding parameters with institutional goals. Using this approach, SEMO can simulate changes before making awards and develop optimal awarding parameters.
- Southeast Missouri running back Geno Hess was one of six Big South-OVC football players named to the 2023 FCS Football Central All-America Team. Among many other awards and achievements, Hess finishes his career at SEMO by becoming the first player in school history to rush for 5,000 yards.
- Southeast Missouri wide receiver Ryan Flournoy and defensive back Lawrence Johnson will play in the 2024 Hula Bowl on Jan. 13 at FBC Mortgage Stadium in Orlando, FL. The Hula Bowl is the nation's premier College Football All-Star Game and is an event where all NFL, XFL, USFL, and CFL teams are represented by top scouts throughout the game week.
- On November 28, SEMO Athletics hosted its annual Classroom on the Court game featuring SEMO women's basketball verse Harris-Stowe State University, which brought more than 1,000 elementary school students from schools all across the region to campus to watch the game.
- Southeast Missouri baseball alum, Noah Niznik, has signed with the Savannah Bananas to continue his baseball career.
- SEMO Athletics is partnering with local and regional school districts to host theme nights at basketball games this season. With the purchase of a special theme ticket, fans attending the games can take home a custom theme hat that features both the SEMO and school district logos and colors. Participating school districts currently include Cape Girardeau, Jackson, Sikeston, Bell City, Dexter, Scott City, Charleston, Advance, and Chaffee.
- SEMO Athletics will induct six-new members into the Athletics Hall of Fame on February 2, 2024. The 2023 Hall of Fame Class includes Clemente Bonilla (baseball), Lori Chase (women's basketball), Blake Smith (track & field), Ryan Spille (baseball), Michelle Summers (softball) and Rick Wieser (football, baseball).
- On November 8, University Advancement held a Coffee with the President for alumni in the St. Louis area. The event was held in St. Charles. The next Coffee with the President in the St. Louis area will be February 20th hosted at Mid-America Transplant.
- The largest comprehensive fundraising campaign in the University's history was launched at Homecoming. The *Transforming Lives* campaign has a goal of $60 million to fund key strategic initiatives that include enhancing learning spaces, powering technological advancements, expanding academic programs critical to building tomorrow's careers today, and further investing in athletics to build community and championships. To date, more than $40 million has been raised toward the goal.

STUDENT PRESENTATION

University President Vargas introduced Ms. Amber Capps. Dr. Vargas shared that Amber, who is from Jackson, MO, is a senior majoring in General Studies with a minor in Interior Design. He noted that she will be graduating and then pursuing a MBA at SEMO. Ms. Capps is a U.S. Marine veteran E5. She is married and the mother of two children. Ms. Capps owns her own professional photography studio called "Captured" in Cape Girardeau. She has been involved in the community serving as Junior Vice Commandant for the Marine Corps League, working with Toys for Tots and serving as Cheer Coach for the Jackson Athletics Youth Football.

Following the introduction, Ms. Capps was asked to share her experience at Southeast.

Ms. Capps thanked University President Vargas for the introduction. She stated that she is originally from Chicago that that she started at SEMO in August 2019. Ms. Capps stated that she has been influenced by a number of faculty at SEMO, including the faculty member of her photography class that inspired her to open her photography studio. She stated that she likes to volunteer in the community and that she is looking forward to graduating and continuing with her graduate studies. Ms. Capps closed by praising the Office of Military of Veterans Services for all they do and stated that they have been a tremendous help to her during her time at the University.

Following Ms. Capps' remarks, the Board engaged her in discussion about her professional goals and thanked her for her remarks.

REPORT FROM STUDENT GOVERNMENT

University President Vargas introduced Ms. Anna Smith from the Student Government Association (SGA) to provide an update to the Board.

Ms. Smith brought greetings on behalf of SGA President Harry Meyer and gave an update on SGA. At the Board's request, she also shared some information about herself and her experience while at Southeast.

REPORT FROM FACULTY SENATE

University President Vargas introduced Dr. Erin Fluegge, the 2023-2024 Chair, to provide a report to the Board.

Dr. Fluegge gave a summary of Faculty Senate's work throughout the fall semester. She discussed legislation they are working on and shared that they have hosted a number of people from across campus to provide them updates on topics such as, but not limited to, enrollment, advancement/fundraising, and faculty evaluations. Dr. Fluegge noted that Faculty Senate leaderships also continues to meet regularly with leadership from CTS and PSC. She provided the board an update on the Senate's efforts to update the Faculty Handbook and stated that Senate Committees will be working through the spring toward the goal of cutting the Faculty Handbook at least in half. She closed by sharing a request from CTS and PSC leadership regarding whether there may be opportunities for them to visit with the board at future meetings, and she encouraged the board to consider extending them an invitation.

Board members thanked Dr. Fluegge for her report and her continued leadership of the Faculty Senate.

ACADEMIC & STUDENT ENGAGEMENT COMMITTEE

Conferral of Degrees

Governor Smith, Chairman of the Academic and Student Engagement Committee, called upon Dr. Godard to present a motion to approve the conferring of degrees upon the candidates for fall 2023, graduation pending final verification of the completion of degree requirements. [Attachment F].

A motion was made by Governor Smith and seconded by Governor Limbaugh to approve the motion to confer degrees upon the candidates for fall 2023, graduation pending final verification of the completion of degree requirements [Attachment F]. The motion carried unanimously.

Academic Program Changes

Governor Smith, Chairman of the Academic and Student Engagement Committee, called upon Dr. Mike Godard, Provost to present a motion to approve academic program changes. [Attachment G].

Provost Godard directed Governors to the materials behind Attachment G in the Board packet and read the items for consideration:

- Authorize and approve the deletion of the Minor in Coaching.
- Authorize and approve the combining of the Bachelor of General Studies (BGS) degree and the Interdisciplinary Studies Bachelor of Science (BS) degree into one program, a BS in Professional Studies.

A motion was made by Governor Martin and seconded by Governor Moore to approve the deletion of the Minor in Coaching. The motion carried unanimously.

A motion was made by Governor Limbaugh and seconded by Governor Martin to the combining of the Bachelor of General Studies (BGS) degree and the Interdisciplinary Studies Bachelor of Science (BS) degree into one program, a BS in Professional Studies. The motion carried unanimously.

FINANCE & AUDIT COMMITTEE REPORT ITEMS

Signature Authority for the Controller

Governor Limbaugh, Chairman of the Finance and Audit Committee, called upon Dr. Sheriff to present a motion to authorize Diana Harley, Controller, as a signatory on University bank and investment accounts. [Attachment H].

Dr. Sheriff stated the change was necessary to update information with various financial institutions, and in some cases, the financial institutions were requesting that the University provide them documentation stating the authority was approved by the governing borad.

A motion was made by Governor Limbaugh and seconded by Governor Smith to authorize Diana Harley, Controller, as a signatory on University bank and investment accounts [Attachment H]. The motion carried unanimously.

Revisions & Additions to University Business Policy and Procedures

Governor Limbaugh, Chairman of the Finance and Audit Committee, called upon Dr. Sheriff to present a motion to approve recommended revisions to existing University Information Technology policies and addition of new University Information Technology policies, as follows:

Revised Policies

- 10-01 – Identity and Access Management
- 10-03 – Information Security
- 10-04 – Information Security Incident Management (Deletion)
- 10-05 – Appropriate Use of Information Technology Resources
- 10-07 – Password Management
- 10-12 – Information Technology Emergency Operations Plan

New Policies

- 10-13 – Southeast Email Policy
- 10-14 – Point of Sale Device Registration and Inventory Policy
- 10-15 – Least Privilege Policy
- 10-16 – Southeast Missouri State University Privacy Policy
- 10-17 – Generic Account Policy
- 10-18 – Retiree Email and Active Directory Accounts Policy

[Attachment I]

Dr. Sheriff referred board members to the materials in the board packet and stated that the revised and newly created policies are the result of a comprehensive review of information security policies and practices that began in early 2023. He also stated that in addition to the revised and new policies and procedures, the university will implement beginning in January 2024 training modules for all faculty and staff related to information security.

A motion was made by Governor Martin and seconded by Governor Moore to approve recommended revisions to existing University Information Technology policies and addition of new University Information Technology policies [Attachment I]. The motion carried unanimously.

Report Item(s)/Information

Governor Limbaugh referred Board members to report items in the packet for Contracts and Facilities Management [Attachment J], FY24 Operating Budget to Actual [Attachment K], Faculty and Staff Personnel Items [Attachment L]. He reminded the Board that all three reports were presented in detail during Thursday's work session and called for any additional questions or discussion. In response, Governor Smith asked for information on the campus chillers, specifically the south chiller. Dr. Sheriff stated that there is a long-term vision to eventually include it as part of the exterior site plan for the new Health Sciences Building and that facilities management is working through a decision process to better understand the potential cost. Once a plan is in place and costs are understood, funding will need to be identified.

CONSIDERATION OF MOTION FOR CLOSED SESSION

A motion was made by Governor Limbaugh and seconded by Governor Martin to recess the Open Session and convene Closed Session pursuant to Sections 610.021(1), (3) (13) and (18) of the Revised Statutes of Missouri.

A roll call vote was taken. Voting in favor were Governors Klocke, Limbaugh, Martin, Moore, Robinson, and Smith. The motion carried.

The Open Session was recessed at approximately 10:18 a.m.

ANNOUNCEMENT OF ACTIONS TAKEN IN CLOSED SESSION

Upon reconvening the Open Session at approximately 11:46 a.m. Board President Klocke called on Secretary Martin to make the following announcements regarding the Board's Closed Session:

During Closed Session the Board of Governors conducted the following business:

- By a vote of 6 to 0 the Board approved the minutes of the Board's September 22, 2023 Closed Session. Governors Klocke, Limbaugh, Martin, Moore, Smith, and Robinson voted to approve.

- The Board had conversations with legal counsel per RSMo 610.021(1) pertaining to legal matters.
- By a vote of 6 to 0 the Board adjourned the Closed Session and convened Closed Executive Session pursuant to RSMo 610.021(1), (3), (13) and (18). Governors Klocke, Limbaugh, Martin, Moore, Smith, and Robinson voted to approve.

During Closed Executive Session the Board of Governors conducted the following business:

- By a vote of 6 to 0 the Board approved the minutes of the Board's September 22, 2023 Closed Executive Session. Governors Klocke, Limbaugh, Martin, Moore, Smith, and Robinson voted to approve.
- The Board had conversations regarding an ongoing legal matter per RSMo 610.021(1) and (18). No action was taken.
- The Board had conversations regarding personnel per RSMo 610.021(3) and (13). No action was taken.
- By a vote of 6 to 0 the Board adjourned the Closed Executive Session and reconvene the Open Session. Governors Klocke, Limbaugh, Martin, Moore, Smith, and Robinson voted to approve.

CONSIDERATION OF MOTION TO ADJOURN

Prior to adjournment, Board Secretary Martin stated that a list of 2024-2025 meeting dates are in their packets [Attachment M].

A motion to adjourn was made by Governor Martin and seconded by Governor Smith to adjourn the meeting. The motion carried unanimously.

The meeting adjourned at approximately 11:49 a.m.

Christopher R. Martin
Secretary, Board of Governors

APPROVED:

Tina L. Klocke
President, Board of Governors
Southeast Missouri State University

MEDIA MANAGEMENT STUDENT

ALEXIS KINGSLAND

CONTACT INFORMATION

kingslandalexis02@gmail.com

(314) 775-8810

OBJECTIVE

Media management student with a strong background in graphic design. Proficient in Adobe Creative Suite and skilled in both print and digital media. Real-world experience within Southeast Missouri State University's in-home marketing department has had me working with real clients during my college career. Passion for graphic design, but goals to become a leader in the marketing space.

SKILLS

/ Adobe Suite
/ Teamwork
/ Communication
/ Leadership
/ Organization
/ Time management
/ Creative thinking

EXPERIENCE

GRAPHIC DESIGN STUDENT WORKER
Southeast Missouri State University. Cape Girardeau, MO I Aug 2022 - May 2024

Collaborated with the design team to conduct research and brainstorm ideas to create visually appealing graphics for print and digital media from clients within Southeast Missouri State University. Developed design campaigns for the University to support their educational, enrollement and funding goals. Helped support and facilitate events put on by Southeast.

PRESIDENT'S OFFICE STUDENT ASSISTANT
Southeast Missouri State University. Cape Girardeau, MO I Aug 2021 - May 2023

Assisted with the needs of the President's office, handled documents, answered phones, and gave tours to students when needed.

BOUTIQUE STYLIST
Queen Anne's Lace Boutique. Festus, MO I June 2019 - Jul 2022

Provided personalized and attentive customer service while building strong connections with clients.

REFERENCES

Dana Saverino
Director, Creative Marketing Strategy
Southeast Missouri State University
dsaverino@semo.edu / (573) 651-2473

Nikki Peters
Senior Graphic Designer
Southeast Missouri State University
nlpeters@semo.edu / (573) 651-2024

EDUCATION

BS IN MEDIA MANAGEMENT

Southeast Missouri State University. Cape Girardeau, MO I Aug 2021 - May 2024

Minor in Integrated Marketing Communications

President's List - 3.9 GPA

HIGH SCHOOL DIPLOMA

De Soto Senior High School I Aug 2017 - May 2021

CERTIFICATIONS & COURSES

MEDIA MANAGEMENT CERTIFICATE

Southeast Missouri State University. Cape Girardeau, MO I 2024

Attachment C

BOARD OF GOVERNORS

MOTION CONSIDERATION FORM

February 23, 2024

Open Session

I. Motion to be Considered:

Approve recommended revisions to existing Alcohol Beverage Usage Policy, Classification Code 01-04.

II. Background:

This policy defines the limited use and possession and/or consumption of alcoholic beverages on the campuses of Southeast Missouri State University. Presently, residence hall students, registered visitors, and guests are prohibited from consuming alcohol in a residence hall, regardless of age.

University policies for on campus alcohol use vary. Many universities do have a complete prohibition of alcohol in residence halls. However, there are several public universities in Illinois and Missouri permitting residential students of legal drinking age to possess and consume alcohol in their residence hall room or apartment, with variations in the applicable procedures.

The Alcohol Usage Policy includes a series of exemptions to the prohibition of alcohol on campus. An additional exemption is presented in this motion for consideration and approval whereby students, registered visitors, and their guests age 21 and over may possess and consume alcohol in residence hall rooms. It is recommended that this policy go into effect May 13, 2024, the first day of the Summer 2024 semester.

The procedures associated with this policy change would be stipulated in the Residence Life Handbook. Approximately 15 percent of on campus students are age 21 or older and there are students of legal drinking age distributed throughout the residence hall system.

Recommended By:	
Student Government ____________________	Chairperson ________________________
Faculty Senate _________________________	Dean ______________________________
Administrative Council __________________	Academic Council ____________________
VP, Enroll. Man. & Stu. Suc. ____________	Provost ____________________________
VP, Finance & Admin.__________________	
VP, University Advancement ____________	**President**___________________________
Board Action on: _____________________	Postpone: ___________________________
Motion By: ___________________________	Amend: ______________________________
Second By: ___________________________	Disapprove: __________________________
Vote: Yeas: ______ Nays: _______	Approve: ____________________________
Abstentions: _________________	Secretary: ___________________________

BUSINESS POLICY AND PROCEDURE MANUAL	Date Issued: 09/90	Revision Date: 09/19	Page: 1 of 1 Classification Code: 01-04
	Section:	ADMINISTRATION	
	Subject:	ALCOHOLIC BEVERAGE USAGE	

GENERAL STATEMENT OF POLICY

The use and sale of alcoholic beverages in university facilities is governed by this policy and applicable state laws. Any proposed use or sale of alcoholic beverages outside of the parameters in this policy must be approved in advance in writing by the president of the university.

It is always against university policy and the law to sell, furnish or provide alcohol to a person under the age of
21. The possession of alcohol by anyone under 21 years of age in a public place or a place open to the public is illegal. It is illegal for any person to misrepresent his or her own age of the age of any other person to obtain alcoholic beverages. Members of the university community are subject to disciplinary action if they violate this policy, and anyone may be subject to criminal citation for violating the law.

The use and possession and/or consumption of alcoholic beverages on the campuses of Southeast Missouri State University without the express written permission of the President is prohibited, except as follows:

1. Existing policies governing the Show Me Center remain in effect.

2. As Wildwood and the Rust House are private residences, the use or possession and/or consumption of alcoholic beverages there is to be at the discretion of the President.

3. In other private homes of permanent full-time staff members of legal age who are required to live in campus apartments or houses as a condition of their employment, the use or possession and/or consumption of alcoholic beverages is to be at the discretion of the tenant.

4. The basement and first floor of the Johnson Faculty Center are designed for use as a social club and meeting area exclusively for faculty members and their guests. The third level contains two apartments used on a short-term basis by guests of the University. The use of alcoholic beverages in the public meeting and social areas by persons of legal age is authorized for catered events at the Johnson Faculty Center within guidelines to be established by the Faculty Center membership, with concurrence of the President, and subject to appropriate statutes and ordinances.

Further, persons of legal age using a guest apartment as a temporary lodging place may possess or consume alcoholic beverages on the premises at their discretion.

5. Beer and wine may be sold and consumed by the general public, subject to all applicable laws and regulations, at home collegiate athletic events. The sale of spirits is not permitted during these university sponsored sporting events.

6. The possession and consumption of alcohol at tailgate functions at home football games by persons age 21 and older is permissible within the geographic area and conditions outlined in the attached operating procedures.

7. The possession and consumption of alcohol by students, registered visitors, and their guests age 21 and over in University residence hall rooms as prescribed in the Residence Life Handbook.

The President is responsible for maintaining operating procedures related to this policy.

BOARD OF GOVERNORS

MOTION CONSIDERATION FORM

February 23, 2024

Open Session

I. Motion to be Considered:

Approve the new Undergraduate Certificate in Management.

II. Background:

Justification: The Department of Management has proposed an 18-hour, all-online Undergraduate Certificate in Management. This program is designed primarily for individuals currently in supervisory roles who seek to enhance their management skills. The certificate is structured to be accessible to those without a bachelor's degree, providing a pathway for working professionals to gain vital management knowledge efficiently.

Need: The certificate targets working supervisors and managers who lack formal training in management. It offers an opportunity for these individuals to gain relevant skills in a concise timeframe. The program also presents potential benefits to organizations by improving the skill set of their management team, possibly leading to partnerships with organizations for tuition assistance. Moreover, collaboration with local Chambers of Commerce could be explored for wider reach and impact.

Program Summary: The certificate program requires the completion of 18 credit hours, achievable in 12 months. The curriculum begins with MG301, offered seven times a year. Post-completion of MG301, students can undertake any other course in the program. All courses are offered online in an 8-week format, with at least one iteration of each required course available annually. Students also have the option to select 6 hours of electives. The courses taken for the certificate can apply toward completion of the BSBA in Management.

Recommended By:

Student Government ____________________
Faculty Senate _________________________
Administrative Council __________________
VP, Enroll. Man. & Stu. Suc. ____________
VP, Finance & Admin.___________________
VP, University Advancement _____________

Chairperson __________________________
Dean _______________________________
Academic Council ____________________
Provost _____________________________

President_____________________________

Board Action on: ________________________
Motion By: ___________________________
Second By: ___________________________
Vote: Yeas: ______ Nays: _______
Abstentions: __________________

Postpone: ___________________________
Amend: _____________________________
Disapprove: __________________________
Approve: ____________________________
Secretary: ___________________________

BOARD OF GOVERNORS

MOTION CONSIDERATION FORM

February 23, 2024

Open Session

I. Motion to be Considered:

Approve the new Undergraduate minor in Esports.

II. Background:

Justification: The Sport Management program proposes the introduction of a Minor in Esports. This initiative responds to the burgeoning esports industry, which is currently valued at approximately 1.72 billion dollars globally and exhibits continuous growth. Esports has evolved into a global phenomenon, attracting a dedicated following of players, enthusiasts, and spectators. Offering a minor in this field aligns with the cultural significance and economic potential of esports, catering to the interests and career aspirations of our students.

Need: The Minor Degree in Esports will provide students with a comprehensive understanding of the esports ecosystem, legitimizing career paths in this sector. It aims to offer education and skill development, prepare students for a dynamic industry, and foster professional networks and communities. The relevance of this program is further emphasized by the rapid growth of the SEMO Esports club, the fastest-growing student club on campus, featuring 360 members and seven competitive teams. The minor aims to position our institution as a leader in innovative academic offerings, reflecting the current trends and future potential of the esports industry. It's designed to meet the evolving educational needs of students and the demands of a rapidly growing professional field.

Program Summary: The Esports Minor will require completion of 15 credit hours. This includes a core of nine credits, consisting of three newly developed online courses specifically focused on the esports industry. In addition, students will complete six credit hours of elective courses,

Recommended By:

Student Government ____________	Chairperson ____________
Faculty Senate ____________	Dean ____________
Administrative Council ____________	Academic Council ____________
VP, Enroll. Man. & Stu. Suc. ____________	Provost ____________
VP, Finance & Admin. ____________	
VP, University Advancement ____________	**President** ____________

Board Action on: ____________	Postpone: ____________
Motion By: ____________	Amend: ____________
Second By: ____________	Disapprove: ____________
Vote: Yeas: ______ Nays: ______	Approve: ____________
Abstentions: ____________	Secretary: ____________

selected from existing offerings. This structure ensures both a specialized focus on esports and flexibility in course selection, catering to diverse student interests within the field. The core courses will be online, and students can choose face-to-face or online elective courses resulting in the possibility of completing the minor completely online.

BOARD OF GOVERNORS

MOTION CONSIDERATION FORM

February 23, 2024

Open Session

I. Motion to be Considered:

Approve the title change of the BS in Corporate Communication to Organizational Communication.

II. Background:

Justification: The Department of Communication Studies and Modern Languages proposes a title change for the BS in Corporate Communication to a BS in Organizational Communication. This change is aimed at achieving six primary goals:

- Distinct Identity: Separate the major from allied programs in Mass Media and Marketing. The name change clarifies the focus on organizational contexts, emphasizing internal communication processes.
- Consistency with Disciplinary Norms: Align with the nomenclature in national and international communication associations, where 'Organizational Communication' is recognized as a distinct field.
- Departmental Focus: Reduce external credit requirements, emphasizing the discipline of communication.
- Streamlined Curriculum: Remove the requirement of a minor and offer a more concise list of courses to simplify the degree path, providing clearer guidance for students.
- Professional Preparation: Enhance the program with a required senior research course and SC 200 Introduction to Communication Research, preparing students for standards in professional communication, leadership, and research.
- Alignment with BA in Communication: Harmonize the newly titled BS in Organizational Communication with the BA in Communication in structure and requirements.

Recommended By:

Student Government ____________________
Faculty Senate ________________________
Administrative Council __________________
VP, Enroll. Man. & Stu. Suc. ____________
VP, Finance & Admin.___________________
VP, University Advancement _____________

Chairperson __________________________
Dean _______________________________
Academic Council ____________________
Provost _____________________________

President______________________________

Board Action on: _________________________
Motion By: ____________________________
Second By: ____________________________
Vote: Yeas: ______ Nays: _______
Abstentions: __________________

Postpone: ____________________________
Amend: ______________________________
Disapprove: ___________________________
Approve: _____________________________
Secretary: ____________________________

Need: An Organizational Communication degree addresses the importance and need for effective communication within various organizational settings. It focuses on internal communication processes and dynamics, rather than external marketing or public relations strategies. The degree equips students with skills to manage and improve communication in diverse types of organizations, including both profit and non-profit entities. It prepares students for roles where understanding and enhancing communication among employees, managers, and different organizational stakeholders are crucial. The change from Corporate Communication to Organizational Communication better captures the intent of the program and aligns with current discipline nomenclature. It is anticipated that this change will aid in attracting more students and restoring previous enrollment numbers.

Program Summary: The program will continue to require 48 credit hours of coursework with a stronger emphasis on communication aspects. The degree will require a total of 120 credit hours, allowing students to gain knowledge in individualized specialty areas in which they have an interest and would provide them with the skillsets for their future academic or career goals. Current enrollments and completions in the BS in Corporate Communication are:

BS Corporate Communication	Enrollment Fall 2019	Enrollment Fall 2020	Enrollment Fall 2021	Enrollment Fall 2022	Enrollment Fall 2023
	178	163	129	98	70
	Degrees Awarded 2018-2019	Degrees Awarded 2019-2020	Degrees Awarded 2020-2021	Degrees Awarded 2021-2022	Degrees Awarded 2022-2023
	50	54	50	50	42

BOARD OF GOVERNORS

MOTION CONSIDERATION FORM

February 23, 2024

Open Session

I. Motion to be Considered:

Approve the proposed fiscal year (FY) 2025 Residence Life room and board rates, effective fall 2024.

II. Background:

The room and board rates reflected in this motion were prepared in coordination with the University's Budget Office. The proposed rates, projected occupancy, and planned operations will be used to prepare the FY25 budget that will be presented at a future Board of Governors meeting.

The proposed FY25 average room rate increase is 5.01 percent and the proposed average board rate increase is 5.03 percent. As shown in Attachment 1, an average combined room and board rate increase of 5.25 percent is requested for FY25. The proposed room rate reflects inflationary factors impacting residence life operations, debt service obligations, and prioritized facility maintenance projects. The average combined room and board rate increase for the previous three years was 2.43%

As residence hall occupancy has declined (Chart 1), the University has modified the way residence halls and dining facilities are utilized. These operational efficiencies include transitioning some double-occupancy rooms to single-occupancy, closing aging facilities, and transitioning to a block meal plan to optimize use of resident dining facilities.

Recommended By:

Student Government ____________________
Faculty Senate _________________________
Administrative Council __________________
VP, Enroll. Man. & Stu. Suc. ____________
VP, Finance & Admin.____________________
VP, University Advancement _____________

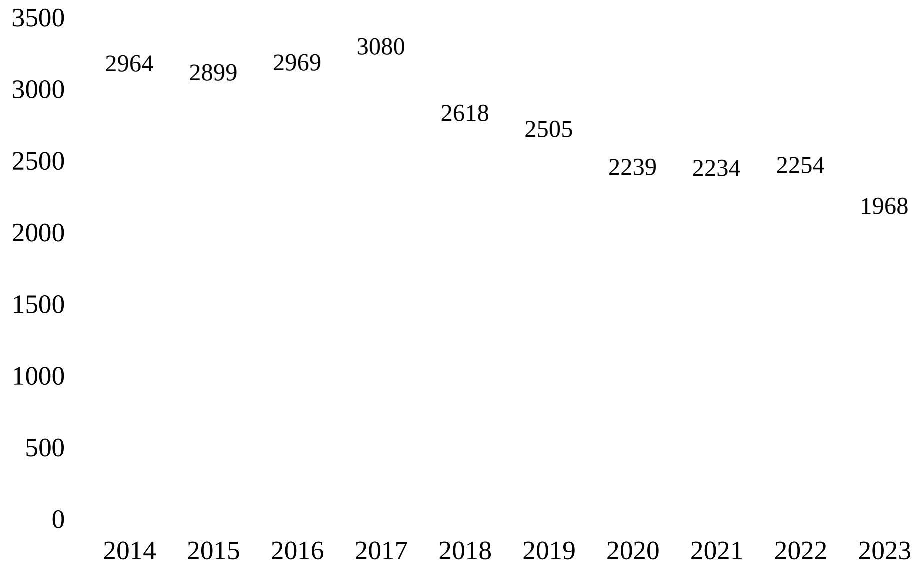
Chairperson __________________________
Dean ________________________________
Academic Council _____________________
Provost ______________________________

President______________________________

Board Action on: _________________________
Motion By: ___________________________
Second By: ___________________________
Vote: Yeas: ______ Nays: _______
Abstentions: __________________

Postpone: ____________________________
Amend: ______________________________
Disapprove: __________________________
Approve: _____________________________
Secretary: ____________________________

Chart 1 Fall Census Residence Hall Occupancy



Residence Halls
The Residence Life system is comprised of 21 residential buildings including 12 residence halls, a five building Group/Greek Housing community, and four buildings in the Greek Village leased to fraternity housing corporations. Nine of the 12 residence halls are currently occupied.

For many students, a private room is the desired living environment. To meet this demand both private rooms and designed single rooms are available. Students can contract a room in any residence hall as a private room, where space is available, at a rate that is 1.5 times the rate of a double occupancy room. Additionally, to meet increased demand for private rooms and to maximize the use of the space available, double-occupancy rooms in Towers South, Towers East, and Group/Greek Housing will be contracted as single rooms, with one set of furniture in the room.

The Greek Village is occupied by four fraternity chapters: Pi Kappa Alpha, Sigma Chi, Sigma Nu, and Sigma Phi Epsilon. This property is owned by the University and the students are on campus residents. Each house is leased to the chapter's alumni House Corporation. Residents sign a contract with the chapter's House Corporation, which pays an annual lease rate to the University. Occupancy records are managed by each House Corporation.

As new residence halls and the Greek Village were added to the housing system, the University gradually closed older facilities with significant deferred maintenance. Existing residence halls that are closed indefinitely include Cheney Hall, closed in FY16, Henderson Hall, closed in FY19, and Dearmont Hall, where residential spaces closed in FY20 and the academic space closed in FY22. Myers Hall is currently operational and will close indefinitely in summer 2024 as a result of increasing maintenance and repair concerns. Significant MEP/FP (mechanical, electrical, plumbing, and fire protection) renovations are needed to maintain the facility as on campus housing and remain code compliant. Demolition of Dearmont Hall is planned for 2024 contingent upon direction from the federal government per the HRSA grant. Demolition of Henderson Hall is anticipated, awaiting a funding source.

Board Plans
In collaboration with Southeast's dining services partner, Chartwells Educational Dining Services, known on campus as SEMO Dining, the University operates three resident dining facilities and 12 retail outlets, including:

Board Dining Venues	Location
Towers Landing	Towers Complex
St. Vincent's Commons	River Campus
Houck's Place	Merick Hall

National Brand Retail Venues	Location
Starbucks	University Center
Subway	Scully
Panda Express	University Center
Chick-Fil-A	University Center

Internal Brand Retail Venues	Location
Rowdy's	Towers Complex
Sono Express	University Center
Beans Bagels	University Center
Sushi w/Gusto	University Center
Burger 573	University Center
Build	University Center
Smoked (BBQ)	University Center
Create (Salad)	University Center

The combination of price inflation and fewer board contracts is creating financial pressures on the dining system. The University and Chartwells are currently evaluating usage and demand for each dining location and considering board and retail operation efficiencies.

Attachment 1 FY25 Proposed Room and Board Rates

ROOM CONTRACTS	**RATES**						
	FY24 Room Rate	FY25 Room Rate	Capacity as Built	Capacity as Used	Projected Average Occupancy	Average Private Rooms	Total Paid Beds
Group/Greek single	$7,500	$7,850	378	190	160	0	160
Towers East double (floors 2-3)	$5,900	$6,200	0	0	0	0	0
Towers East single (floors 4-12)	$7,500	$7,850	388	194	170	0	170
Towers South single	$7,500	$7,850	392	186	165	0	165
Community-style Subtotal	$7,500	$7,850	1158	570	495	0	495
Dobbins Center	$7,850	$8,250	184	178	165	0	165
LaFerla	$7,550	$8,000	262	250	200	10	210
Merick	$7,550	$7,850	306	295	250	10	260
Towers North	$7,450	$7,850	286	187	160	4	164
Towers North premium (dbl w/private bath)	$8,450	$8,850	0	66	50	0	50
Towers West	$7,450	$7,850	285	182	150	6	156
Towers West premium (dbl w/private bath)	$8,450	$8,850	0	66	50	0	50
Vandiver	$7,550	$8,000	302	290	230	10	240
Suite-style Subtotal	$7,788	$8,188	1625	1514	1255	40	1295
AVERAGE	$7,709	$8,095					
		5.01%	**2791**	**2084**	**1750**	**40**	**1790**

BOARD CONTRACTS	**RATES**		
	FY24 Board Rate	FY25 Board Rate	Projected Average Contracts
BLOCK PLANS			
Block 275 + $435 Flex	$3,670	$3,810	55
Block 180 + $817 Flex	$3,150	$3,300	121
Block 120 + $1698 Flex	$3,260	$3,450	825
Block 75 + $2252 Flex	$3,500	$3,700	639
Block 90	$2,140	$2,250	300
AVERAGE	**$3,144**	**$3,302**	
		5.03%	

COMBINED ROOM & BOARD (with Block 120 meal plan):		
	FY24 Rate	FY25 Rate
Group/Greek single	$10,760	$11,300
Towers Community double	$9,260	$9,650
Towers Community single	$10,760	$11,300
Dobbins Center	$11,110	$11,700
LaFerla	$10,810	$11,450
Merick	$10,810	$11,300
Towers Suite double	$10,710	$11,300
Towers Suite premium	$11,710	$12,300
Vandiver	$10,810	$11,450
AVERAGE	**$10,969**	**$11,545**
		5.25%

SOUTHEAST MISSOURI
STATE UNIVERSITY · 1873

BOARD OF GOVERNORS

MOTION CONSIDERATION FORM

February 23, 2024

Open Session

I. Motion to be Considered:

Approve the acceptance of the University's annual financial statement, the System Facilities financial statement, and the Single Audit Report for the year ending June 30, 2023, from RubinBrown, LLP.

II. Background:

The University has prepared the financial statements in accordance with GASB Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities.* The Foundation is considered a discretely presented component unit of the University that reports under the FASB model and, consequently, is presented separately from the University within the University's financial statements. The Missouri Innovation Corporation is not included in the University's financial statements because it does not meet the significance criteria for component units under GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement No. 14.*

The University's financial statements (Attachment 1) consist of a Management's Discussion and Analysis; basic comparative financial statements for the University, including a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows for the University as a whole; basic comparative financial statements for the Foundation, including a Statement of Financial Position and Statement of Activities; notes to the basic financial statements; and additional required supplementary information pertaining to the University's pension plan and other post-employment benefit plan. The auditors' report includes an unmodified opinion by RubinBrown, LLP.

Recommended By:

Student Government ____________________
Faculty Senate ____________________
Administrative Council ____________________
VP, Enroll. Man. & Stu. Suc. ____________
VP, Finance & Admin.______
VP, University Advancement __

Chairperson
Dean ____________________
Academic Council
Provost ____________________

President____________________

Board Action on: ____________________
Motion By:
Second By:
Vote: Yeas: ______ Nays:
Abstentions: ____________________

Postpone:
Amend: ____________________
Disapprove:
Approve: ____________________
Secretary: ____________________

Attachments 2 and 3, the Auditor Communications letter and the Government Auditing Standards management letter, respectively, both regarding the University's financial statements, are included with this motion. The Government Auditing Standards letter describes a material weakness finding related to the University's historic valuation of textbook inventory and library books. Management identified the errors, concurs with the finding, and has put into place a corrected methodology to be used in future years.

The System Facilities financial statements present the activity for fiscal year 2023 for the funds established by the terms of the bond resolution for the System Facilities Revenue Bonds Series 2016A, 2016B, 2016C, and 2020. The basic financial statements for the System Facilities were also prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities.*

The System Facilities financial statements (Attachment 4) consist of a Management's Discussion and Analysis; basic financial statements including a Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows for System Facilities, notes to the basic financial statements, and various supplemental schedules required by terms of the University's bond agreements. The auditors' report includes an unmodified opinion by RubinBrown, LLP.

The Single Audit (Attachment 5) evaluates whether the University has complied with applicable laws and regulations for each major federal program as defined under Title 2 U. S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and whether there are any material weaknesses or significant deficiencies in the University's internal control structure surrounding the administration of federal awards. The report includes an unmodified opinion and three material weakness findings, none of which involved questioned costs and all of which have been remediated.

SOUTHEAST MISSOURI STATE UNIVERSITY

FINANCIAL STATEMENTS

JUNE 30, 2023

SOUTHEAST MISSOURI
STATE UNIVERSITY · 1873

Contents

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Certified Public Accountants and Business Consultants

Independent Auditors' Report

Board of Governors
Southeast Missouri State University
Cape Girardeau, Missouri

Report On The Audit Of The Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of Southeast Missouri State University, (the University), a component unit of the State of Missouri, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities and discretely presented component unit of the University as of June 30, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis Of A Matter Relating To Restatement

As described in Note 19, the 2022 financial statements have been restated to correct various items related to capital assets and inventories. Our opinion is not modified related to this matter.

Emphasis Of A Matter Relating To Change In Accounting Principle

As described in Notes 16 and 19, in 2023 the University adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion in not modified with respect to this matter.

Responsibilities Of Management For The Financial Statements

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

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

Auditors' Responsibilities For The Audit Of The Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

Board of Governors
Southeast Missouri State University

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

Required Supplementary Information

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

Other Reporting Required By *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated January 23, 2024 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.

RubinBrown LLP

January 23, 2024

This discussion and analysis of Southeast Missouri State University's (the University) basic financial statements provides a comparative overview of the University's financial performance during the years ended June 30, 2023, 2022 and 2021. The Management's Discussion and Analysis is designed to focus on current activities and resulting changes, and should be read in conjunction with the University's basic financial statements and footnotes.

Using This Report

This report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis - for Public Colleges and Universities.* These basic financial statements focus on the financial condition of the University, the results of operations, and cash flows of the University as a whole.

The Statement of Net Position includes the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the University as of the end of the fiscal year. The Statement of Net Position is a point of time financial statement. It is prepared under the accrual basis of accounting, whereby assets are recognized when the service is provided and liabilities are recognized when others provide the service, regardless of when cash is exchanged. The University's net position (the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources) is one indicator of the University's financial health. Over time, increases or decreases in net position is one indicator of the improvement or erosion of the University's financial health when considered with non-financial facts such as enrollment levels and the conditions of facilities.

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as operating, nonoperating or other. All things being equal, a public University's dependency on state appropriations and gifts will result in operating deficits. That is because the financial reporting model prescribed by GASB No. 34 classifies state appropriations and gifts as nonoperating revenues. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the basic financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The Statement of Cash Flows presents the University's flows of cash. The primary purpose of the Statement of Cash Flows is to provide information about the University's cash receipts and payments summarized by operating, capital and related financing, noncapital financing and investing activities.

Financial Analysis Of The University

As described in Note 19, the 2022 financial statements have been restated to correct various items related to capital assets and inventories. The 2022 and 2021 columns contained in the financial information included within this management's discussion and analysis have also been restated to correct these items.

The following table reflects the Net Position of the University as of June 30:

Condensed Statement Of Net Position As Of June 30, 2023, 2022 And 2021

	2023	2022 (As Restated)	2021 (As Restated)
Current Assets	$ 108,730,749	$ 94,147,474	$ 94,816,333
Noncurrent Assets			
Capital assets, net of depreciation and amortization	403,112,587	403,119,939	415,987,971
Other	27,418,364	27,983,433	7,918,642
Total Assets	539,261,700	525,250,846	518,722,946
Deferred Outflows Of Resources	30,943,415	26,757,068	28,259,043
Current Liabilities	29,115,152	27,976,516	23,159,747
Noncurrent Liabilities	308,793,399	284,651,349	306,785,252
Total Liabilities	337,908,551	312,627,865	329,944,999
Deferred Inflows Of Resources	2,839,985	27,081,323	8,999,546
Net Position			
Net investment in capital assets	241,676,732	236,948,691	251,044,962
Restricted	3,702,220	3,657,489	3,898,875
Unrestricted	(15,922,373)	(28,307,454)	(46,906,393)
Total Net Position	$ 229,456,579	$ 212,298,726	$ 208,037,444

The University's current assets consist primarily of cash and cash equivalents, short-term investments, accounts and other receivables, and inventories. Current assets totaled $108.7, $94.1 million, and $94.8 million at June 30, 2023, 2022 and 2021, respectively. The increase in current assets in the most recent year is primarily reflective of economic conditions, particularly the interest rate environment.

Noncurrent assets are comprised primarily of capital assets (net of accumulated depreciation) and long-term investments. Non-depreciable capital assets increased $14.9 million from $12.2 million at June 30, 2022 to $27.1 million at June 30, 2023 due to construction in progress. This increase was offset by a decrease in capital assets net of depreciation. In total, noncurrent assets remained steady at $430.5 and $431.1 million at June 30, 2023 and June 30, 2022, respectively, after increasing slightly from $423.9 million at June 30, 2021. These changes are further detailed in Note 6.

Long-term investments have increased dramatically in 2022 and 2023 from 2021 due to the economic environment. Long-term investments at June 30, 2021 $0.9 million, rebounded to $24.8 million at June 30, 2022, and remained steady at $24.4 million at June 30, 2023.

Deferred outflows of resources include deferred amounts related to refunding on bonds payable, postretirement employee benefits, employee pension plan, and pension contributions. Per GASB Statement No. 65, *Items Previously Recognized as Assets and Liabilities*, deferred outflows related to debt refundings were $6.7 million, $7.4 million, and $8.2 million, at June 30, 2023, 2022, and 2021, respectively. Per GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, deferred outflows were $24.1 million, $19.1 million, and $19.8 million at June 30, 2023, 2022 and 2021, respectively, for amounts related to pension plan and pension plan contributions.

The University's current liabilities consist of accounts payable, accrued compensation, accrued claims payable, and bond interest payable. Current liabilities also consist of the current (payable within one year) portion of unearned income, bonds payable, and notes payable. Current liabilities totaled $29.1 million, $28 million, and $23.2 million at June 30, 2023, 2022, and 2021, respectively.

Noncurrent liabilities consist primarily of long-term debt, pension and other postretirement employee benefits (OPEB) liabilities, and unearned income, and totaled $308.8 million, $284.7 million, and $306.8 million at June 30, 2023, 2022 and 2021, respectively. Detailed activity for long-term bond debt can be found in Note 8. The liabilities for pension and OPEB have been adjusted based on actuarial valuations as required under GASB Statement Nos. 68 and 75. Long-term unearned income is comprised primarily of advances from Chartwells, the University's contracted food service provider, for capital investments that are being amortized through 2036. Follett, the University's contracted bookstore provider, also provided a modest capital investment in 2023.

As required by GASB Statement Nos. 68 and 71, deferred inflows related to pension plans were $1.5 million, $25.1 million, and $7.1 million at June 30, 2023, 2022 and 2021, respectively.

The University's net position, which represents the residual interest in the University's assets after liabilities are deducted, increased from $212.3 at June 30, 2022 to $229.5 million at June 30, 2023.

	2023	2022 (As Restated)	2021 (As Restated)
Net Position:			
Net investment in capital assets	$ 241,676,732	$ 236,948,691	$ 251,044,962
Restricted:			
Nonexpendable	2,091,017	1,970,860	2,206,602
Expendable	1,611,203	1,686,629	1,692,273
Total Restricted	245,378,952	240,606,180	254,943,837
Unrestricted:			
Designated	59,192,516	61,418,266	48,727,458
Undesignated	(75,114,889)	(89,725,720)	(95,633,851)
Total Unrestricted	(15,922,373)	(28,307,454)	(46,906,393)
Total Net Position	$ 229,456,579	$ 212,298,726	$ 208,037,444

Net position invested in capital assets represents the University capital assets (net of accumulated depreciation and amortization) less any outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets decreased $12.6 million from $254.3 million at June 30, 2021 to $241.7 million at June 30, 2023. This reduction is in part due to the changes discussed in Note 6.

Restricted net position includes the University's permanent endowment, which is managed by the Southeast Missouri University Foundation, funds held for loan operations, and the accrual of debt-related interest obligations.

Although unrestricted net position is not subject to externally imposed stipulations, the University has chosen to internally designate a portion of unrestricted funds for various University initiatives and purposes.

These can be broken down into the following categories as held at June 30:

	2023	2022 (As Restated)	2021 (As Restated)
Unrestricted-Designated Net Position			
Investment in inventories	$ 4,593,296	$ 4,578,693	$ 4,702,688
Future operations (including capital projects)	39,232,970	43,790,532	34,014,255
Funds held for auxiliary operations	8,167,265	7,205,380	3,549,267
Funds held for university related operations	7,198,985	5,843,661	4,138,004
Quasi-endowment	—	—	2,323,244
Total	$ 59,192,516	$ 61,418,266	$ 48,727,458

The University's remaining unrestricted-undesignated net position has been negative since the implementation of GASB Statement Nos. 68 and 71. The total unrestricted-undesignated net position of the University totaled ($75.1 million), ($89.7 million), and ($95.6 million) at June 30, 2023, 2022 and 2021, respectively, and includes approximately $120 million in net pension liabilities. Excluding these liabilities, the University has a reserve at June 30, 2023 of $47.2 million for planned and unplanned one-time needs. Based on its fiscal year 2023 operating expenses of $168.9 million, the reserve is equivalent to 100 days of expenses, a metric that the University has successfully been working to improve. Additional category details may be found in Note 15.

The following schedule reflects the condensed revenues and expenses of the University for fiscal years 2022, 2021 and 2020:

Condensed Statements Of Revenues, Expenses And Changes In Net Position

	2023	2022 (As Restated)	2021 (As Restated)
Operating Revenues:			
Student tuition and fees, net of scholarship allowance	$ 52,494,785	$ 53,517,484	$ 50,062,405
Grants and contracts	14,755,873	10,983,009	9,349,830
Auxiliary services	27,015,401	24,977,154	21,877,232
Other operating revenues	13,226,474	10,685,615	10,882,496
Total Operating Revenues	107,492,533	100,163,262	92,171,963
Operating Expenses:			
Personal service	92,836,778	87,871,772	94,120,046
Utilities and supplies	45,322,792	37,772,075	33,734,155
Scholarships	9,527,936	9,193,608	10,059,482
Depreciation and amortization	21,193,713	22,283,614	16,015,731
Emergency COVID-19 student relief	—	10,415,698	4,803,912
Other post-employment benefits (OPEB) expense	48,425	88,371	142,913
Total Operating Expenses	168,929,644	167,625,138	158,876,239
Operating Loss	(61,437,111)	(67,461,876)	(66,704,276)
Nonoperating Revenues (Expenses)			
State appropriations	49,857,654	46,149,698	41,442,772
Federal grants - restricted	13,290,309	13,064,770	13,906,096
Emergency COVID-19 governmental assistance	1,636,331	20,198,032	12,756,044
Investment income	2,788,715	(227,676)	154,769
Gifts	1,767,160	1,424,610	1,686,200
Nonoperating expenses	(4,949,359)	(9,832,331)	(5,122,015)
Net Nonoperating Revenues	64,390,810	70,777,103	64,823,866
Other Revenues	14,204,154	946,055	4,417,500
Increase (Decrease) In Net Position	17,157,853	4,261,282	2,537,090
Net Position - Beginning Of Year	212,298,726	208,037,444	205,500,354
Net Position - End Of Year	$ 229,456,579	$ 212,298,726	$ 208,037,444

Operating revenues for the University totaled $107.5 million, $100.2 million, and $92.2 million for the years ended June 30, 2023, 2022 and 2021, respectively. The most significant sources of operating revenue for the University are student tuition and fees, auxiliary services, and grants and contracts. Student tuition and fees, net of scholarship allowance, has decreased by $1 million from fiscal year 2022 to 2023 despite increasing tuition and fee rates. As with most higher education institutions, the University has experienced declining student enrollments and has been increasing discounting in an effort to stabilize enrollment. Although gross tuition and fee revenues grew during this period from $81.6 million to $83.9 million, the growth was more than offset by an increase of $3.3 million in scholarship allowance. Declining enrollments also impact Auxiliary Services, especially the Residence Life system and Parking and Transit. From 2022 to 2023, however, Residence Life revenues grew by $2 million on rate increases and a scholarship reduction of $2.7 million, while other Auxiliary Services, in total, held steady. After remaining stable for several years, grants and contracts increased by $3.8 million in 2023 on growth in State and nongovernmental funding.

The University's operating expenses totaled $168.9 million, $167.6 million, and $158.2 million for the years ended June 30, 2023, 2022 and 2021, respectively, the vast majority of which consists of personnel services, supplies and other services, and depreciation and amortization. The University has experienced operating losses of $61.4 million, $67.5 million, and $66.1 million for the fiscal years ended June 30, 2023, 2022 and 2021, respectively.

Personnel services costs increased by $4.9 million to $92.8 million from 2022 to 2023. This is an area that will continue to put pressure on the University going forward. Along with the constant pressure to raise wages for student employees and employees on the lower end of the University's earnings scale, which would create equity issues across each successively higher pay level, the environment for recruiting and retaining staff and faculty has become highly competitive. In addition, the employer contribution to the Missouri State Employees Retirement System (MOSERS), which covers all staff and some faculty, has increased from 22.88% of salaries and wages in fiscal 2021 to 26.33% in fiscal 2023. Annual increases will continue through at least fiscal year 2027, at which time the employer contribution is projected to be 32%.

Utilities and supplies grew by $7.5 million in 2023 to $45.3 million. This unusually large increase was driven in part by an historic inflationary environment. Although inflation has since declined, the University continues to experience annual increases in operating expenses such as utilities, software licensing, and property insurance, which remains a very hard market. Finally, cybersecurity costs, including cyber insurance, continue to increase.

Non-operating revenues and expenses totaled $64.4 million, $70.8 million, and $64.8 million for the years ended June 30, 2023, 2022 and 2021, respectively. Although state appropriations are a significant source of revenue for the University, they ceased to be the largest source of revenue in fiscal year 2007. State appropriations as measured in nominal dollars are historically volatile. Fiscal year 2021 appropriations were 9% below the fiscal year 2020 level (though the University actually received less funding in 2020 due to a one-time withholding of $5.8 million). State appropriations increased a total of $8.1 million, or 20%, in fiscal years 2022 and 2023 combined. Fiscal 2024 will see another increase, but doubt clouds future years as State revenues seem to have stabilized following the influx of COVID-19 funding. Concerns over a potential recession continue to loom, as well. In fiscal years 2020, 2021 and 2022, the University received COVID-19 relief funding of $40.3 million, $17.2 million of which was distributed to students as emergency relief funds. By contrast, the University received $1.6 million of COVID-19 relief funds in fiscal year 2023.

Bonds And Notes Payable

The University had outstanding bonds of approximately $152.9, $158.7 million, and $162.6 million at June 30, 2023, 2022 and 2021, respectively. During all fiscal years, the University made all regularly scheduled debt service payments. During fiscal year 2021, the University issued its Series 2020 bonds for the purpose of refunding its Series 2013A bonds. More detailed information may be found in Note 8.

The University had outstanding notes payable of approximately $413,000, $531,000, and $646,000 at June 30, 2023, 2022 and 2021, respectively. No new notes were issued in 2023. However, new loans were issued to finance a $458,000 purchase of pianos in 2021 and a $97,500 purchase/installation of energy efficient lighting in 2020. More detailed information may be found in Note 9.

Capital Assets

At June 30, 2023, 2022 and 2021, the University's investment in capital assets was as follows:

	2023	2022 (As Restated)	2021 (As Restated)
Land	$ 4,212,638	$ 4,212,638	$ 4,217,138
Buildings and improvements	494,363,125	492,315,368	497,525,859
Leasehold improvements	14,891,769	13,553,502	13,584,161
Infrastructure	39,480,149	39,444,110	38,387,410
Equipment	39,835,341	39,954,577	42,436,188
Library books	21,930,974	21,926,427	21,888,707
Construction in progress	19,550,020	4,622,044	4,190,574
Right of use assets	12,451,289	10,551,570	6,238,678
	646,715,305	626,580,236	628,468,715
Less: Accumulated depreciation and amortization	243,602,718	223,460,297	209,582,182
	$ 403,112,587	$ 403,119,939	$ 418,886,533

In addition, at June 30, 2023, the University had initiated plans and incurred certain contractual commitments related to the construction of various facilities. The costs to complete these projects are estimated at $15.4 million and include $5.6 million for the south stadium phase of the Houck Project and $5.9 million for various utility tunnel repairs. These projects are being funded by state and federal dollars as well as donations and University funds.

Economic Outlook

Southeast Missouri State University is the only four-year, public university located in the southeast portion of Missouri between St. Louis and the Arkansas border. Declining traditional-age college prospects, increased competition, and growing concerns about the affordability and value of a college education have led to years of declining enrollments at Southeast, as they have at nearly all colleges and universities throughout the state and across the country. The University has not yet had to make some of the difficult decisions that so many others have, but must stand ready to do so if necessary to ensure that the institution remains the academically vibrant and powerful engine of economic development that is so critically needed by the southeast Missouri region, the State, and beyond.

Contacting The University's Financial Management

This financial report is designed to provide a general overview of the University's finances and to show the University's accountability for the money it receives. Questions about this report and requests for additional financial information should be directed to the Vice President for Finance and Administration, One University Plaza, MS 3000, Cape Girardeau, MO 63701.

SOUTHEAST MISSOURI STATE UNIVERSITY

STATEMENT OF NET POSITION

	June 30, 2023	June 30, 2022 (As Restated)
Assets		
Current Assets		
Cash and cash equivalents	$ 51,491,229	$ 37,363,374
Restricted cash and cash equivalents	1,398,388	1,473,814
Short-term investments	29,742,568	41,821,566
Accrued interest receivable	275,873	133,128
Due from component unit - Foundation	1,465,630	809,982
Accounts receivable (net of allowance of $1,006,786 in 2023 and $638,224 in 2022)	15,435,272	4,586,925
Notes receivable	326,253	517,936
Lease receivable	246,527	730,405
Due from federal government	3,321,934	1,578,773
Inventory	4,593,296	4,578,693
Prepaid expenses	433,779	552,878
Total Current Assets	108,730,749	94,147,474
Noncurrent Assets		
Investments	24,403,889	24,795,544
Due from component unit - Foundation	2,067,451	1,970,863
Notes receivable (net of allowance of $560,220 and $1,149,847 in 2023 and 2022, respectively)	839,110	1,077,252
Lease receivable	107,914	139,774
Capital assets - non-depreciable	27,100,358	12,172,382
Capital assets, net - depreciable	368,770,355	383,180,817
Right of use assets, net	7,241,874	7,766,740
Total Noncurrent Assets	430,530,951	431,103,372
Total Assets	539,261,700	525,250,846
Deferred Outflows Of Resources		
Deferred amounts on refunding of bonds payable	6,665,973	7,424,702
Deferred amounts related to other postretirement employee benefit plan	164,941	201,514
Deferred amounts related to pension plan	13,569,519	9,642,723
Deferred amounts related to pension contributions	10,542,982	9,488,129
Total Deferred Outflows Of Resources	30,943,415	26,757,068

See the notes to financial statements.

SOUTHEAST MISSOURI STATE UNIVERSITY

STATEMENT OF NET POSITION

		June 30,	
		2023	**2022 (As Restated)**
Liabilities			
Current Liabilities			
Accounts payable		$ 6,787,930	$ 3,696,537
Accrued compensation		6,628,078	8,027,938
Accrued claims liability		665,052	1,297,616
Bond interest payable		1,398,904	1,479,459
Funds held for others		99,290	77,186
Unearned income		5,397,325	7,003,782
Current portion of bonds payable		6,000,000	4,300,000
Current portion of notes payable		122,880	118,660
Current portion of lease payable		810,475	919,022
Current portion of subscription liability		1,016,218	898,316
Current portion of other postretirement benefit liability		189,000	158,000
Total Current Liabilities		29,115,152	27,976,516
Noncurrent Liabilities			
Due to federal government		1,284,693	1,943,968
Bonds payable		146,917,162	154,388,270
Notes payable		289,793	412,673
Lease payable		4,481,394	5,084,766
Subscription liability		803,478	894,607
Unearned income		6,373,786	6,033,903
Total other postretirement employee benefit liability		3,759,274	3,619,052
Net pension liability		144,883,819	112,274,110
Total Noncurrent Liabilities		308,793,399	284,651,349
Total Liabilities		337,908,551	312,627,865
Deferred Inflows Of Resources			
Deferred amounts related to other postretirement employee benefit plan		987,573	1,146,943
Deferred amounts related to pension plan		1,497,971	25,064,201
Deferred amounts on lease revenues		354,441	870,179
Total Deferred Inflows Of Resources		2,839,985	27,081,323
Net Position			
Net investment in capital assets		241,676,732	236,948,691
Restricted for:			
Nonexpendable -			
Scholarships		2,091,017	1,970,860
Expendable -			
Debt service		1,398,388	1,473,814
Loans		212,815	212,815
Unrestricted		(15,922,373)	(28,307,454)
Total Net Position		$ 229,456,579	$ 212,298,726

See the notes to financial statements.

SOUTHEAST MISSOURI UNIVERSITY FOUNDATION
(A Component Unit of Southeast Missouri State University)
STATEMENT OF FINANCIAL POSITION

	June 30, 2023	June 30, 2022 (As Restated)
Assets		
Current Assets		
Cash and cash equivalents	$ 1,972,395	$ 7,740,669
Short-term investments	9,279,679	2,413,933
Receivables:		
Pledges receivable (net of allowance of $35,036 and $15,967 in 2023 and 2022, respectively)	276,948	112,594
Notes receivable	375,657	491,367
Accrued interest receivable	132,701	77,525
Lease receivable	23,566	—
Total Current Assets	12,060,946	10,836,088
Noncurrent Assets		
Investments:		
Endowment investments	118,819,591	107,737,003
Cash surrender value of life insurance	782,204	780,090
Pledges receivable (net of allowance of $22,681 and $10,954 in 2023 and 2022, respectively)	179,289	77,242
Long term notes receivable, net of imputed interest	—	2,032,117
Property held for resale and development	1,250,838	1,259,315
Property and equipment, net of accumulated depreciation	10,022,282	10,733,733
Total Noncurrent Assets	131,054,204	122,619,500
Total Assets	$ 143,115,150	$ 133,455,588
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	$ 50,592	$ 24,243
Due to primary institution - University	1,465,630	809,982
Note payable to bank	413,375	182,477
Funds held for others	60,400	59,516
Annuity obligations	168,509	179,767
Total Current Liabilities	2,158,506	1,255,985
Noncurrent Liabilities		
Deferred revenue	—	1,069
Note payable to bank	—	413,062
Annuity obligations	896,984	963,031
Due to primary institution - University	2,091,015	1,970,859
Total Noncurrent Liabilities	2,987,999	3,348,021
Total Liabilities	5,146,505	4,604,006
Net Assets		
Without donor restriction	18,598,506	18,904,317
With donor restriction	119,370,139	109,947,265
Total Net Assets	137,968,645	128,851,582
Total Liabilities And Net Assets	$ 143,115,150	$ 133,455,588

See the notes to financial statements.

SOUTHEAST MISSOURI STATE UNIVERSITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	For The Years Ended June 30, 2023	2022 (As Restated)
Operating Revenues		
Student tuition and fees (net of scholarship allowance of $31,357,775 in 2023 and $28,116,586 in 2022)	$ 52,494,785	$ 53,517,484
Federal grants - restricted	2,484,533	2,662,349
State grants and contracts - restricted	10,918,346	7,486,242
Nongovernmental grants and contracts - restricted	1,352,994	834,418
Sales and services of educational departments	3,973,933	2,916,132
Auxiliary enterprises:		
Residence life (net of scholarship allowance of $2,924,557 in 2023 and $5,597,164 in 2022; revenues are used as security for revenue bonds Series 2016A, 2016B, 2016C, and 2020)	19,295,555	17,275,088
Other auxiliary (net of scholarship allowance of $0 in 2023 and $167,883 in 2022; revenues are used as security for revenue bonds Series 2016A, 2016B, 2016C and 2020)	7,719,846	7,702,066
Other operating revenues	9,252,541	7,769,483
Total Operating Revenues	107,492,533	100,163,262
Operating Expenses		
Personnel services	92,836,778	87,871,772
Scholarships	9,527,936	9,193,608
Utilities	5,504,204	5,073,443
Supplies and other services	39,818,588	32,698,632
Depreciation and amortization	21,193,713	22,283,614
Other post-employment benefit (OPEB) expense	48,425	88,371
Emergency COVID-19 student relief	—	10,415,698
Total Operating Expenses	168,929,644	167,625,138
Operating Loss	(61,437,111)	(67,461,876)
Nonoperating Revenues (Expenses)		
State appropriations	49,857,654	46,149,698
Federal grants - restricted	13,290,309	13,064,770
Emergency COVID-19 governmental assistance	1,636,331	20,198,032
Investment income (loss)	2,788,715	(227,676)
Contributions and gifts	1,767,160	1,424,610
Interest on capital asset-related debt	(5,028,695)	(5,201,879)
Gain (loss) on disposal of plant facilities	79,336	(4,630,452)
Net Nonoperating Revenues	64,390,810	70,777,103
Income Before Other Revenues, Expenses And Gains	2,953,699	3,315,227
State capital appropriations	12,782,725	681,487
Capital grants and gifts	1,421,429	264,568
Total Other Revenues, Expenses And Gains	14,204,154	946,055
Change In Net Position	17,157,853	4,261,282
Net Position - Beginning Of Year (As Origninally Stated)	212,298,726	208,690,517
Restatement (Note 19)	—	(653,073)
Net Position - Beginning Of Year (As Restated)	212,298,726	208,037,444
Net Position - End Of Year	$ 229,456,579	$ 212,298,726

See the notes to financial statements.

SOUTHEAST MISSOURI UNIVERSITY FOUNDATION
(A Component Unit of Southeast Missouri State University)
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Totals
Support And Revenue			
Contributions of cash and other assets, net of discount	$ 229,399	$ 4,816,452	$ 5,045,851
Contributions of nonfinancial assets	—	256,640	256,640
Investment return	1,812,969	9,652,373	11,465,342
Lease income	179,960	200	180,160
Special events, net of expense	150	39,536	39,686
Loss on disposal of property	(499,859)	—	(499,859)
Loss on annuity and trust obligations	—	(111,680)	(111,680)
Other revenues and transfers	(203,772)	819,840	616,068
Net assets released from restrictions	6,050,487	(6,050,487)	—
Total Support And Revenue	7,569,334	9,422,874	16,992,208
Expenses And Losses			
Program expenses	5,765,174	—	5,765,174
Management and general	1,642,250	—	1,642,250
Fundraising	467,721	—	467,721
Total Expenses And Losses	7,875,145	—	7,875,145
Change In Net Assets	(305,811)	9,422,874	9,117,063
Net Assets - Beginning Of Year As Restated	18,904,317	109,947,265	128,851,582
Net Assets - End Of Year	$ 18,598,506	$ 119,370,139	$ 137,968,645

SOUTHEAST MISSOURI UNIVERSITY FOUNDATION
(A Component Unit of Southeast Missouri State University)
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2022
(As Restated)

	Without Donor Restrictions	With Donor Restrictions	Totals
Support And Revenue			
Contributions, net of discount	$ 3,535,011	$ 6,152,992	$ 9,688,003
Contributions of nonfinancial assets	4,099	347,728	351,827
Investment return	141,239	(18,485,375)	(18,344,136)
Rental income	376,356	5,270	381,626
Special events, net of expense	580	39,006	39,586
Gain on annuity and trust obligations	—	11,449	11,449
Other revenues and transfers	355,641	83,212	438,853
Net assets released from restrictions	5,107,867	(5,107,867)	—
Total Support And Revenue	9,520,793	(16,953,585)	(7,432,792)
Expenses And Losses			
Program expenses	4,823,212	—	4,823,212
Management and general	1,227,080	—	1,227,080
Fundraising	196,113	—	196,113
Total Expenses And Losses	6,246,405	—	6,246,405
Change In Net Assets	3,274,388	(16,953,585)	(13,679,197)
Net Assets - Beginning Of Year As Originally Stated	24,094,295	118,436,484	142,530,779
Restatement (Note 16)	(8,464,366)	8,464,366	—
Net Assets - Beginning Of Year As Restated	15,629,929	126,900,850	142,530,779
Net Assets - End Of Year As Restated	$ 18,904,317	$ 109,947,265	$ 128,851,582

SOUTHEAST MISSOURI STATE UNIVERSITY

STATEMENT OF CASH FLOWS

	For The Years Ended June 30, 2023	2022 (As Restated)
Cash Flows From Operating Activities		
Tuition and fees	$ 50,754,048	$ 56,335,942
Grants and contracts	11,911,557	11,902,444
Auxiliary enterprises	27,051,774	24,938,176
Other receipts	12,958,440	13,125,609
Payments to vendors and suppliers	(54,543,848)	(46,913,187)
Emergency COVID-19 student relief	—	(10,415,698)
Payments to employees	(90,617,314)	(88,276,565)
Net Cash Used In Operating Activities	(42,485,343)	(39,303,279)
Cash Flows From Noncapital Financing Activities		
State appropriations	49,667,596	46,004,649
Nonoperating federal grants	13,290,309	13,064,770
Emergency COVID-19 governmental assistance	3,136,408	21,698,109
Gifts received for other than capital purposes	1,595,600	1,319,355
Net Cash Provided By Noncapital Financing Activities	67,689,913	82,086,883
Cash Flows From Capital And Related Financing Activities		
Capital appropriations	2,112,533	681,487
Capital gifts received	1,421,429	264,568
Purchases of capital assets and payments to contractors	(16,977,572)	(6,747,669)
Principal paid on capital debt, notes and leases	(7,003,525)	(4,823,110)
Interest paid on capital debt, notes and leases	(5,821,629)	(5,941,283)
Net Cash Used In Capital And Related Financing Activities	(26,268,764)	(16,566,007)
Cash Flows From Investing Activities		
Proceeds from sales and maturities of investments	39,926,657	24,796,439
Interest on investments	2,089,966	276,283
Purchase of investments	(26,900,000)	(54,253,459)
Net Cash Provided By (Used In) Investing Activities	15,116,623	(29,180,737)
Net Increase (Decrease) In Cash And Cash Equivalents	14,052,429	(2,963,140)
Cash And Cash Equivalents - Beginning Of Year	38,837,188	41,800,328
Cash And Cash Equivalents - End Of Year	$ 52,889,617	$ 38,837,188
Supplemental Disclosure Of Cash Flow Information		
Noncash transactions:		
Capital asset purchases included in accounts payable	$ 3,135,390	$ 905,656
Acquisition of new right to use assets	1,899,719	4,312,892
Unrealized gain (loss) on investments	543,114	(648,208)

See the notes to financial statements.

SOUTHEAST MISSOURI STATE UNIVERSITY
STATEMENT OF CASH FLOWS
Page 2 Of 2

	For The Years Ended June 30, 2023	2022
Reconciliation Of Operating Loss To Net Cash From Operating Activities:		
Operating loss	$ (61,437,111)	$ (67,461,876)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization expense	21,193,713	22,283,614
Workers compensation and unemployment expenses paid by state	190,058	145,049
Gifts in kind from Southeast Missouri University Foundation	171,560	105,255
Changes in deferred outflows related to other postretirement benefit plan	36,573	36,573
Changes in deferred outflows related to pension plan	(3,926,796)	920,092
Changes in deferred outflows related to pension contributions	(1,054,853)	(225,157)
Changes in deferred inflows related to pension plan	(23,566,230)	17,988,629
Changes in deferred inflows related to other postretirement benefit plan	(159,370)	866,991
Changes in assets and liabilities:		
Receivables, net	(3,743,804)	4,299,788
Inventories	(14,603)	123,995
Prepaid expenses	119,099	(103,714)
Accounts payable	202,384	32,215
Unearned income	(1,266,574)	1,874,406
Accrued compensation	(1,399,860)	559,729
Accrued claims liability	(632,564)	69,977
Deposits held for others	22,104	(140,540)
Net other postretirement employee benefit liability	171,222	(815,193)
Net pension liability	32,609,709	(19,863,112)
Net Cash Used In Operating Activities	$ (42,485,343)	$ (39,303,279)

See the notes to financial statements.

1. Organization

Southeast Missouri State University (the University) was established in 1873 as the Southeast Missouri Normal School. Since then the school has been named the Southeast Missouri State Teachers' College and the Southeast Missouri State College. In 1972, the Missouri State legislature adopted the school's current name. The University is a state assisted regional institution of higher education, offering instructional programs and other learning experiences at the certificate, associate, baccalaureate, masters and specialist levels. The University is governed by a seven-member Board of Governors, appointed by the Governor and confirmed by the Senate of the State of Missouri. The University is considered a component unit of the State of Missouri.

2. Basis Of Accounting And Presentation And Summary Of Significant Accounting Policies

Basis Of Accounting And Presentation:

The University prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standard Board (GASB).

The basic financial statements of the University have been prepared using the economic resource measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for public colleges and universities and is presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements - Management's Discussion and Analysis for Public Colleges and Universities.*

Revenues, expenses, gains, losses, assets, liabilities and deferred inflows and outflows from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally federal and state grants and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in preparation of the financial statements unless they relate to services provided and used internally. The University first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

Reporting Entity

GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 61, provides guidance as to the financial reporting of component units (legally separate organizations for which the University is financially accountable). The University has adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14 to provide additional guidance for determining whether certain organizations, for which the University is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the University. The Missouri Innovation Corporation is not included in the University's financial statements because it does not meet the criteria set forth for component units under GASB Statement No. 61 or GASB Statement No. 39. However, it is considered a related entity.

The Southeast Missouri University Foundation (the Foundation) is a legally separate tax-exempt entity, which meets the criteria set forth for component units under GASB Statement No. 39. The Foundation provides financial support for the objectives, purposes, and programs of the University. Although the University does not control the timing, purpose, or amount of receipts from the Foundation, the resources (and income thereon) which the Foundation holds and invests are restricted to the activities of the University. Because these resources held by the Foundation can only be used by, or for the benefit of, the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements.

The Foundation is a private nonprofit organization that reports under generally accepted accounting principles set forth by the Financial Accounting Standards Board (FASB) standards. 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 report for these differences. The Foundation's significant notes are summarized in Note 18.

During the years ended June 30, 2023 and 2022, the Foundation distributed $5,940,590 and $4,364,578, respectively, to the University for both restricted and unrestricted purposes.

Complete financial statements for the Foundation can be obtained by sending a written request to: Southeast Missouri University Foundation, Wehking Alumni Center, One University Plaza, Cape Girardeau, Missouri, 63701.

Summary Of Significant Accounting Policies

Cash And Cash Equivalents - The University considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents are combined on the statement of cash flows and represent cash and repurchase agreements.

Investments - The University accounts for its investments at fair value. Certificates of deposit are accounted for at amortized cost, which approximates fair value. Changes in unrealized gain (loss) in the carrying value of the investments are reported as a component of investment income in the statement of revenues, expenses and changes in net position.

Fair Value Measurements - The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs use 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.

Due From Component Unit-Foundation - The University bills the Foundation monthly for the use of University services. The final billing for the fiscal year is not paid by the Foundation and received by the University until the following fiscal year, therefore creating a receivable for the University. Additionally, the University participates in the Foundation's investment pool. As the University does not have title to these investments, their share of the investment pool is recorded as a Due from Component Unit - Foundation.

Inventories - Inventories consist of office, store, farm and physical plant supplies and are recorded at cost using the first-in, first-out method. Textbooks available for rental are recorded at the lower of cost (using the first-in, first-out method) or market (net realizable value).

Capital Assets (Excluding Right-to-Use Assets) - Physical properties are recorded at cost or, when donated, at acquisition value at date of gift. All financially significant building, infrastructure and right-to-use asset additions and improvements are capitalized if the life of the building is extended. Additionally, all purchases of equipment, furnishings and other personal property with a useful life greater than one year and costing $5,000 or greater are capitalized.

Depreciation on equipment is computed using the straight-line method with depreciation beginning in the month after acquisition and none in the year of disposal. Depreciation is computed on all other assets using the straight-line method, with a full-year expense in the year after acquisition and partial depreciation through the month of disposition. Expenditures for construction in progress are capitalized with depreciation beginning when the project is completed. Capital assets are depreciated over the estimated useful lives as follows:

	Years
Capital Assets	
Buildings and site improvements	10 to 50
Infrastructure	10 to 50
Leasehold improvements	9 to 15
Library books	30
Machinery and tools	5 to 20
Office equipment and furnishings	5 to 20
Scientific equipment and other	5 to 50
Computer hardware and software	4 to 5
Vehicles	4 to 6

When capital assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri State Employees' Retirement System (MOSERS) and additions to and deductions from MOSERS' fiduciary net position have been determined on the same basis as they are reported by MOSERS. For this purpose, benefit payments (including refunds on employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Compensated Absences - University employees earn vacation benefits based, in part, on length of service. Vacation pay is fully vested when earned. Upon separation from service, employees are paid accumulated vacation pay based upon the nature of separation (death, retirement or termination). Certain limitations have been placed on the hours of vacation that employees may accumulate and carry over for payment at termination, retirement or death. Unused hours exceeding these limitations are forfeited.

Net Position

Resources are required to be classified for accounting and reporting purposes into the following three net position categories:

- ***Net Investment In Capital Assets***: Capital assets, net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

- ***Restricted***:

  Nonexpendable - Net position subject to externally imposed stipulations that the University maintain them permanently. Such assets include the University's permanent endowment funds.

  Expendable - Net position whose use by the University is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time.

- ***Unrestricted***: Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Governors or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and research programs and initiatives and capital projects, excluding the effects of the pension obligation and related deferrals.

Operating And Nonoperating Revenues - The University's policy for defining operating activities as reported on the Statement of Revenues, Expenses, and Changes in Net Position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Operating revenues include student tuition and fees net of scholarship allowances and auxiliary activities. Nearly all of the University's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB Statement No. 34. Nonoperating revenues include revenues from activities that have the characteristics of nonexchange transactions such as gifts and contributions and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting,* and GASB Statement No. 34, such as state appropriations and investment income and certain federal, state and nongovernmental grants and contracts.

Unearned Income - Unearned income consists primarily of the University's dining services vendor's investment in facilities. Although the current contract runs through fiscal year 2031, the amortization schedule for the $6.0 million balance at June 30, 2023 runs through fiscal year 2036. Short term unearned income includes summer school tuition, housing, and other revenues received but not earned during the current year.

Leasing Arrangements - For arrangements where the University is a lessee, a lease liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the University's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term.

The University uses an incremental borrowing rate derived from an applicable market rate and a credit spread using its lowest credit rating and based on market data points as of the most recent quarter end as compared to the lease agreement's commencement date when the rate implicit in the lease is not known. The University includes lease extension and termination options in the lease term if, after considering relevant economic factors, it is reasonably certain the University will exercise the option. The University has elected to combine lease and nonlease components for all lease contracts and has not recognized RTU assets and lease liabilities for leases with terms of 12 months or less.

Subscription-Based Information Technology Arrangements (SBITAs) - Effective July 1, 2022, the University implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96), which requires retroactive application, if practicable. The implementation of GASB Statement No. 96 required the University to record the addition of right to use intangible assets in the amount of $2,898,562 and SBITA liabilities in the amount of $2,898,562 for SBITAs entered into during the year ended June 30, 2022 and prior. No restatement to July 1, 2021 beginning net position was necessary due to the adoption of GASB 96.

For arrangements where the University is a subscriber, a subscription liability and a right to use (RTU) intangible asset are recognized at the commencement of the subscription term. RTU assets represent the University's right to use an underlying asset for the subscription term and subscription liabilities represent the University's obligation to make subscription payments arising from the arrangement. RTU assets and subscription liabilities are recognized at the subscription commencement date based on the estimated present value of the subscription payments over the subscription term. The University uses an incremental borrowing rate derived from an applicable market rate and a credit spread using its lowest credit rating and based on market data points as of the most recent quarter end as compared to the subscription agreement's commencement date.

Tuition, Discounts And Allowances - Student tuition and fee revenues and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by the students or third parties on behalf of the students. Certain grants, including federal, state or nongovernmental programs, are recorded as either operating or nonoperating revenue, while Pell grants are recorded as nonoperating revenue in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a discount and allowance.

Deferred Outflows And Inflows Of Resources - In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period or periods and therefore will not be recognized as an outflow of resources until then. At June 30, 2023 and 2022, the University's deferred outflows of resources consist of deferred amounts on refunding of bonds payable, which results from the difference between the reacquisition price of refunded debt and its carrying value. This amount is deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Deferred outflows also include contributions to MOSERS retirement plan, which were made subsequent to the plan's measurement date. Finally, deferred outflows also include the University's proportionate share of collective deferred outflows of resources for the University's MOSERS retirement plan and the deferred outflows for the other postretirement benefit plan.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. Deferred inflows of resources consist of the acquisition of net assets that is applicable to a future reporting period or periods and so will not be recognized as inflow of resources until then.

As of June 30, 2023 and 2022, the University's deferred inflows include the University's proportionate share of the collective deferred inflows of resources for the MOSERS retirement plan and the deferred inflows for the other postretirement benefit plan. Deferred inflows also include payments to be received under leasing transactions where the University is the lessor; these will be recorded as revenue in future years.

Amortization - The deferred amount on refunding is amortized as interest on capital related debt using the bonds outstanding method. Deferred outflows related to the current fiscal year pension contributions will be fully amortized to pension expense in the following year. Deferred inflows and outflows related to the proportionate share of the collective deferred amounts will be netted together and amortized to pension expense according to the amortization schedule provided by the MOSERS retirement plan. Deferred inflows and outflows related to the other postretirement benefit plan will be amortized according to the amortization schedule provided by the actuary.

Auxiliary Activities - Auxiliary activities mainly represent revenues generated from University housing and food service, textbook rentals and various other departmental activities that provide services to the students, faculty, staff and general public.

Income Taxes - The University is classified as a political subdivision of the State of Missouri under Internal Revenue Code Section 115(a) and is therefore exempt from federal income taxes. Certain activities of the University may be subject to taxation as unrelated business income.

Use Of Estimates - The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

3. Deposits And Investments

Deposits

Custodial Credit Risk. This represents the risk that in the event of a bank failure, a government's deposits may not be returned to it. The University's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. Agencies or instrumentalities of the state of Missouri; bonds of any city, county, school district or special road district of the state of Missouri; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. The University maintains a depository contract and pledge agreement with its safekeeping bank that complies with the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA).

As of June 30, 2023 and 2022, the University had no deposits exposed to custodial credit risk.

Foreign Currency Risk. This represents the risk related to adverse effects on the fair value of a deposit from changes in exchange rates. As of June 30, 2023 and 2022, the University had no exposure to foreign currency risk as the University had no deposits held by international banks.

Investments

The University may invest in United States Treasury Securities, United States Agency Securities, repurchase agreements, collateralized public deposits (certificates of deposits) and banker's acceptances.

At June 30, 2023, the University had the following investments and maturities:

			Investment Maturities (In Years)	
Investment Type	**Credit Rating**	**Fair Value**	**< 1 Year**	**1-5 Years**
U.S. Treasury Obligations	*	$ 24,599,062	$ 24,599,062	$ —
U.S. Agency Obligations	*	26,797,395	2,893,506	23,903,889
Total		$ 51,396,457	$ 27,492,568	$ 23,903,889

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

			Investment Maturities (In Years)	
Investment Type	**Credit Rating**	**Fair Value**	**< 1 Year**	**1-5 Years**
U.S. Treasury Obligations	*	$ 53,867,110	$ 29,671,610	$ 24,195,500

*U.S. Treasury and Agency obligations are rated Aaa by Moody's Investor Services and AAA by Standard and Poor's Corporation.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As a means of ensuring the safety of principal invested, the University's investment policy is to diversify investments so as to minimize the potential loss on individual securities. The maturities are structured to meet cash flow needs of the University, thereby avoiding the need to sell securities in the open market prior to maturity. Callable securities are restricted to securities callable at par only.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the University's policy to limit its credit risk by:

1. Only investing with reputable financial institutions, brokers and dealers.
2. Diversifying the investments so as to minimize the potential loss on individual securities.
3. Structuring the investments so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
4. Investing operating funds primarily in shorter-term securities.

Custodial Credit Risk. 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 investment or collateral securities that are in the possession of an outside party. Collateralization equal to at least 100% of the market value (including accrued interest) is required for repurchase agreements. In accordance with the investment policy, the University addresses custodial credit risk by diversifying its investment portfolio and maintaining a standard of quality for its investments. The University had no investments exposed to custodial credit risk at June 30, 2023 or 2022.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government investment in a single issuer. According to the University's investment policy, investments shall be diversified to minimize the risk of loss resulting from over concentration of assets in specific maturity, specific issuer, or specific class of securities. The types of investments that can be held in the University's portfolio include U.S. Treasury and Agency securities, repurchase agreements, collateralized public deposits, commercial paper and banker's acceptances. No more than 5% of the total market value of the portfolio may be invested in banker's acceptances issued by any one commercial bank and no more than 5% of the total market value of the portfolio may be invested in commercial paper of any one issuer.

The University's investments in U.S. Agency Obligations consist of Freddie Mac, and Federal Home Loan Bank securities. The concentration in each category at June 30, 2023 and 2022 was as follows:

	2023	2022
U.S. Treasury Obligations	47.86%	100.00%
Freddie Mac	19.36%	0.00%
Fannie Mae	10.88%	0.00%
Federal Home Loan Bank	21.90%	0.00%
	100.00%	100.00%

Foreign Currency Risk. This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. As of June 30, 2023 and 2022, the University had no exposure to foreign currency risk as there were no foreign investments in the University's portfolio.

Summary Of Fair Values

The fair value of deposits and investments are as follows:

	2023	2022
Deposits		
Cash in bank	$ 19,449,651	$ 9,400,058
Cash on hand	40,203	182,294
Repurchase agreement	33,399,763	29,254,836
Certificates of deposit	2,750,000	12,750,000
	55,639,617	51,587,188
Investments		
US Government Treasury Obligations	24,599,062	—
US Government Agency Obligations	26,797,395	53,867,110
	51,396,457	53,867,110
	$ 107,036,074	$ 105,454,298

Included in the following statement of net position captions:

	2023	2022
Cash and cash equivalents	$ 51,491,229	$ 37,363,374
Restricted cash and cash equivalents	1,398,388	1,473,814
Short-term investments	29,742,568	41,821,566
Long-term investments	24,403,889	24,795,544
	$ 107,036,074	$ 105,454,298

The University categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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.

The University has the following recurring fair value measurements as of June 30, 2023:

- U.S. Government Treasury Obligations of $24,599,062 valued using a matrix pricing model (Level 2 inputs).
- U.S. Government Agency Obligations of $26,797,395 valued using a matrix pricing model (Level 2 inputs).

The University has the following recurring fair value measurements as of June 30, 2022:

- U.S. Government Treasury Obligations of $53,867,110 valued using a matrix pricing model (Level 2 inputs).

Investment Income

Investment income for the years ended June 30, 2023 and 2022 consists of:

	2023	2022
Interest and dividend income	$ 2,232,711	$ 373,898
Realized gain (loss) on investments	12,890	46,634
Net increase (decrease) in fair value of investments	543,114	(648,208)
	$ 2,788,715	$ (227,676)

4. Accounts Receivable

The composition of accounts receivable at June 30, 2023 and 2022 is summarized as follows:

	2023	2022
Student billings	$ 4,865,270	$ 3,592,720
Departmental operations	67,001	361,539
State and private grants	647,075	682,237
Capital project funding	10,670,192	363,760
Auxiliary operations	162,331	198,704
Other	30,189	26,189
	16,442,058	5,225,149
Less: Allowance for doubtful accounts	1,006,786	638,224
	$ 15,435,272	$ 4,586,925

5. Notes Receivable

The composition of notes receivable at June 30, 2023 and 2022 is summarized as follows:

	2023	2022
Federal loan programs	$ 1,725,583	$ 2,745,035
Less: Allowance for doubtful accounts	560,220	1,149,847
	$ 1,165,363	$ 1,595,188

6. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance - June 30, 2022 (As Restated)	Additions	Retirements	Balance - June 30, 2023
Capital assets, not being depreciated:				
Land	$ 4,212,638	$ —	$ —	$ 4,212,638
Library books	3,337,700	—	—	3,337,700
Construction in progress	4,622,044	18,479,279	(3,551,303)	19,550,020
Total capital assets not being depreciated	12,172,382	18,479,279	(3,551,303)	27,100,358
Capital assets, being depreciated:				
Building and improvements	492,315,368	2,176,997	(129,240)	494,363,125
Infrastructure	39,444,110	36,039	—	39,480,149
Leasehold improvements	13,553,502	1,338,267	—	14,891,769
Equipment	39,954,577	936,832	(1,056,068)	39,835,341
Library books	18,588,727	4,547	—	18,593,274
Total capital assets being depreciated	603,856,284	4,492,682	(1,185,308)	607,163,658
Less accumulated depreciation for:				
Building and improvements	159,261,058	14,437,218	(78,308)	173,619,968
Infrastructure	11,736,533	922,106	—	12,658,639
Leasehold improvements	7,256,596	1,533,029	—	8,789,625
Equipment	30,949,229	1,347,546	(972,984)	31,323,791
Library books	11,472,051	529,229	—	12,001,280
Total accumulated depreciation	220,675,467	18,769,128	(1,051,292)	238,393,303
Total capital assets being depreciated, net	383,180,817	(14,276,446)	(134,016)	368,770,355
Capital assets, net	$ 395,353,199	$ 4,202,833	$ (3,685,319)	$ 395,870,713
Right of use assets:				
Building and improvements	$ 6,689,982	$ 11,127	$ —	$ 6,701,109
Equipment	270,294	318,860	—	589,154
Land	539,107	—	—	539,107
Subcriptions	3,036,290	1,569,732	—	4,606,022
Other	15,897	—	—	15,897
Total right of use assets	10,551,570	1,899,719	—	12,451,289
Less accumulated amortization for:				
Building and improvements	1,393,297	743,127	—	2,136,424
Equipment	127,160	233,189	—	360,349
Land	186,700	93,349	—	280,049
Subscriptions	1,076,935	1,354,552	—	2,431,487
Other	738	368	—	1,106
Total accumulated amortization	2,784,830	2,424,585	—	5,209,415
Right of use assets, net	$ 7,766,740	$ (524,866)	$ —	$ 7,241,874

The estimated cost to complete construction in progress at June 30, 2023 was $15,392,119, for which funds are available from auxiliary funds, state appropriations, and other local sources. Projects in progress include upgrades to Residence Life and Athletic facilities as well as infrastructure improvements and renovations of academic buildings.

Capital asset activity for the year ended June 30, 2022 was as follows:

	Balance - June 30, 2021 (As Restated)	Additions	Retirements	Balance - June 30, 2022 (As Restated)
Capital assets, not being depreciated:				
Land	$ 4,217,138	$ —	$ (4,500)	$ 4,212,638
Library books	3,337,700	—	—	3,337,700
Construction in progress	4,190,574	5,260,179	(4,828,709)	4,622,044
Total capital assets not being depreciated	11,745,412	5,260,179	(4,833,209)	12,172,382
Capital assets, being depreciated:				
Building and improvements	497,525,859	2,973,745	(8,184,236)	492,315,368
Infrastructure	38,387,410	1,823,088	(766,388)	39,444,110
Leasehold improvements	13,584,161	—	(30,659)	13,553,502
Equipment	42,436,188	1,641,632	(4,123,243)	39,954,577
Library books	18,551,007	37,720	—	18,588,727
Total capital assets being depreciated	610,484,625	6,476,185	(13,104,526)	603,856,284
Less accumulated depreciation for:				
Building and improvements	149,955,462	13,623,610	(4,318,014)	159,261,058
Infrastructure	11,012,842	921,998	(198,307)	11,736,533
Leasehold improvements	3,663,008	3,614,021	(20,433)	7,256,596
Equipment	33,342,532	1,475,441	(3,868,744)	30,949,229
Library books	10,942,363	529,688	—	11,472,051
Total accumulated depreciation	208,916,207	20,164,758	(8,405,498)	220,675,467
Total capital assets being depreciated, net	401,568,418	(13,688,573)	(4,699,028)	383,180,817
Capital assets, net	$ 413,313,830	$ (8,428,394)	$ (9,532,237)	$ 395,353,199
Right of use intangible assets:				
Building and improvements	$ 2,755,563	$ 3,934,419	$ —	$ 6,689,982
Equipment	29,549	240,745	—	270,294
Land	539,107	—	—	539,107
Subscriptions	2,898,562	137,728	—	3,036,290
Other	15,897	—	—	15,897
Right of use assets	6,238,678	4,312,892	—	10,551,570
Less accumulated amortization for:				
Building and improvements	560,374	832,923	—	1,393,297
Equipment	11,882	115,278	—	127,160
Land	93,350	93,350	—	186,700
Subscriptions	—	1,076,935	—	1,076,935
Other	369	369	—	738
Total accumulated amortization	665,975	2,118,855	—	2,784,830
Right of use assets, net	$ 5,572,703	$ 2,194,037	$ —	$ 7,766,740

The estimated cost to complete construction in progress at June 30, 2022 was $21,749,837 of which funds are available from auxiliary funds, state appropriations, and other local sources. Projects in progress included upgrades to Residence Life and Athletic facilities as well as renovations and infrastructure improvements to academic buildings.

7. Accounts Payable

The composition of accounts payable at June 30, 2023 and 2022 is summarized as follows:

	2023	2022
Equipment purchases	$ 162,992	$ 151,738
Supplies and operating expenses	3,489,548	2,639,143
Capital improvements	2,391,574	827,062
Retainage - capital projects	743,816	78,594
	$ 6,787,930	$ 3,696,537

8. Bonds Payable

Bonds payable at June 30, 2023 are summarized as follows:

	Balance - June 30, 2022	Principal Additions	Principal Payments	Balance - June 30, 2023
System Facilities Revenue Bonds Series 2016A	$ 11,535,000	$ —	$ (1,035,000)	$ 10,500,000
System Facilities Taxable Revenue Bonds Series 2016B	7,850,000	—	(225,000)	7,625,000
System Facilities Revenue Bonds Series 2016C	25,025,000	—	(365,000)	24,660,000
Educational Facilities Refunding Revenue Bonds Series 2019	44,595,000	—	—	44,595,000
System Facilities Refunding Revenue Bonds Series 2020	56,320,000	—	(2,675,000)	53,645,000
	$ 145,325,000	$ —	$ (4,300,000)	141,025,000
Less: Current maturities (due within one year)				6,000,000
Less: Discount on bond payable				9,436
Add: Premium on bond payable				11,901,598
				$ 146,917,162

Bonds payable at June 30, 2022 are summarized as follows:

	Balance - June 30, 2021	Principal Additions	Principal Payments	Balance - June 30, 2022
System Facilities Revenue Bonds Series 2016A	$ 12,525,000	$ —	$ (990,000)	$ 11,535,000
System Facilities Taxable Revenue Bonds Series 2016B	8,070,000	—	(220,000)	7,850,000
System Facilities Revenue Bonds Series 2016C	25,025,000	—	—	25,025,000
Educational Facilities Refunding Revenue Bonds Series 2019	44,595,000	—	—	44,595,000
System Facilities Refunding Revenue Bonds Series 2020	57,480,000	—	(1,160,000)	56,320,000
	$ 147,695,000	$ —	$ (2,370,000)	145,325,000
Less: Current maturities (due within one year)				4,300,000
Less: Discount on bond payable				10,134
Add: Premium on bond payable				13,373,404
				$ 154,388,270

On July 22, 2020, the Board of Governors issued $57,480,000 of System Facilities Refunding Revenue Bonds Series 2020 for the purpose of refunding Series 2013A System Facilities Revenue Bonds. The refunding decreased the University's total debt service payments by $5,025,667 and resulted in an economic gain (difference between the present value of the old and new debt service payments) of $4,916,683.

During 2020, the refunding of the Series 2013A bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $3,326,179. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2043 using the bonds outstanding method.

The Series 2020 bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2020 bonds maturing April 1, 2031 and thereafter may be called to redemption and payment prior to maturity on or after April 1, 2030 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity. The Series 2020 bonds maturing April 1, 2040 and 2043 are subject to mandatory redemption and payment prior to maturity at the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, in accordance with the following schedule:

Series 2020 Bonds Maturing April 1, 2040

Years	Amount
2038-2040	$5,330,000

Series 2020 Bonds Maturing April 1, 2043

Years	Amount
2041-2043	$2,691,000

The Series 2020 bonds, collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 2.00% to 5.00% and mature serially through fiscal year 2043.

On July 24, 2019, the Board of Governors issued $44,595,000 of Educational Facilities Refunding Revenue Bonds Series 2019 for the purpose of partially refunding Series 2010B Taxable Educational Facilities Revenue Bonds (Build America Bonds). The partial refunding decreased the University's total debt service payments by $5,130,254 and results in an economic gain (difference between the present value of the old and new debt service payments) of $4,780,216.

During 2019, the partial refunding of the Series 2010B bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $4,043,117. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2041 using the bonds outstanding method.

The Series 2019 bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2019 bonds maturing October 1, 2030 and thereafter may be called to redemption and payment prior to maturity on or after October 1, 2029 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity.

The Series 2019 bonds bear interest at rates varying from 3% to 5% and mature serially through fiscal year 2041.

On August 10, 2016, the Board of Governors issued $25,025,000 of System Facilities Revenue Bonds Series 2016C for the purpose of partially refunding Series 2011B System Facilities Revenue bonds. The partial refunding decreased the University's total debt service payments by $3,068,337 and results in an economic gain (difference between the present value of the old and new debt service payments) of $2,723,714.

During 2016, the advance refunding of the Series 2011B bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $1,767,433. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2042 using the bonds outstanding method.

The Series 2016C bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2016C bonds maturing April 1, 2025 and thereafter may be called to redemption and payment prior to maturity on or after April 1, 2024 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity. The Series 2016C bonds maturing April 1, 2037, April 1, 2039 and April 1, 2042 are subject to mandatory redemption and payment prior to maturity at the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, in accordance with the following schedule:

Series 2016C Bonds Maturing April 1, 2037

Years	Amount
2036-2037	$2,840,000

Series 2016C Bonds Maturing April 1, 2039

Years	Amount
2038-2039	$3,005,000

Series 2016C Bonds Maturing April 1, 2042

Years	Amount
2040-2042	$4,850,000

The Series 2016C bonds, collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 2.00% to 4.00% and mature serially through fiscal year 2042.

On February 26, 2016, the Board of Governors issued $21,710,000 of System Facilities Revenue Bonds Series 2016A and $8,920,000 of Taxable System Facilities Revenue Bonds Series 2016B for the purpose of refunding $23,555,000 Systems Facilities Revenue bonds Series 2011 and constructing, furnishing, and equipping a facility for Greek student housing and certain other expansions, renovations, and improvements to System Facilities. The refunding decreased the University's total debt service payments by $2,830,120 and results in an economic gain (difference between the present value of the old and new debt service payments) of $2,808,956.

During 2016, the refunding of the Series 2011 bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $609,621. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2032 using the bonds outstanding method.

The Series 2016A and 2016B bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2016A bonds maturing April 1, 2026 and thereafter may be called to redemption prior to maturity on or after April 1, 2025 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity. The series 2016B bonds maturing April 1, 2027 and thereafter, at the option of the University may be called to redemption prior to maturity on or after April 1, 2026 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity. The Series 2016B bonds maturing April 1, 2031, April 1, 2036 and April 1, 2045 are subject to mandatory redemption prior to maturity at the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, in accordance with the following schedule:

Series 2016B Bonds Maturing April 1, 2031

Years	Amount
2027-2031	$1,350,000

Series 2016B Bonds Maturing April 1, 2036

Years	Amount
2032-2036	$1,625,000

Series 2016B Bonds Maturing April 1, 2045

Years	Amount
2037-2045	$3,935,000

The Series 2016A bonds, collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 3.00% to 5.00% and mature serially through fiscal year 2032. The Series 2016B bonds also collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 1.375%-4.37% and mature serially through 2045.

The System Facilities is composed of the Housing System, the Student Union Facility (University Center), the Student Recreation Center, the Outdoor Recreation Fields, and the Parking and Transit system. Until fiscal year 2022, System Facilities also included Textbook Services.

Revenue derived from the operation of these facilities is pledged for the retirement of the outstanding 2016A, 2016B and 2016C and 2020 Series Bonds. Under the provisions of these bond resolutions, the University covenants to establish rates for the use and services of the System Facilities sufficient to fund operations, maintain reserves, and provide revenues to pay principal and interest on the bonds. Refer to Note 17 for a summary of System Facilities pledged revenue and segment information for fiscal years 2023 and 2022.

Interest expense on bonded debt was $5,012,723 and $5,181,842 for 2023 and 2022, respectively.

Scheduled fiscal year maturities of System Facilities and Educational Facilities bonds payable and related interest are as follows:

Year	Principal	Interest
2024	$ 6,000,000	$ 5,595,615
2025	7,110,000	5,289,102
2026	7,435,000	4,957,077
2027	7,765,000	4,620,977
2028	8,105,000	4,279,327
2029-2033	40,335,000	15,959,773
2034-2038	38,780,000	8,424,088
2039-2043	24,485,000	2,195,861
2044-2045	1,010,000	66,643
	$ 141,025,000	$ 51,388,463

9. Notes Payable

Notes payable at June 30, 2023 are summarized as follows:

	Balance - June 30, 2022	Principal Additions	Principal Payments	Balance - June 30, 2023
Chartwell's-Olive's and Skylight Terrace Expansion	$ 169,976	$ —	$ (17,957)	$ 152,019
Department of Natural Resources Energy Loan	75,811	—	(9,264)	66,547
KS StateBank - Pianos	285,546	—	(91,439)	194,107
	$ 531,333	$ —	$ (118,660)	412,673
Less: Current maturities (due within one year)				122,880
				$ 289,793

Notes payable at June 30, 2022 are summarized as follows:

	Balance - June 30, 2021	Principal Additions	Principal Payments	Balance - June 30, 2022
Chartwell's-Olive's and Skylight Terrace Expansion	$ 187,667	$ —	$ (17,691)	$ 169,976
Department of Natural Resources Energy Loan	84,826	—	(9,015)	75,811
KS StateBank - Pianos	373,434	—	(87,888)	285,546
	$ 645,927	$ —	$ (114,594)	531,333
Less: Current maturities (due within one year)				118,660
				$ 412,673

On July 1, 2009, the University entered into an agreement with Chartwells, the University's contracted food service provider, for the construction of dining facilities in the new residence hall and expansion of the University Center to provide additional dining space. The University will make monthly principal payments, totaling $577,870 through fiscal year 2031. The note is noninterest bearing. Interest has been imputed using a rate of 1.429%.

The University entered into a loan agreement dated May 19, 2017 with the Missouri Department of Economic Development-Division of Energy to provide energy efficient lighting in Crisp Hall, an academic building. The loan was approved for $97,545 with an interest rate of 2.75% and a loan origination fee of 1% of the principal loan amount. An extension request was approved in October 2017. The promissory note of $98,520 was executed on October 8, 2019. The University will make semi-annual principal and interest payments through July 1, 2029.
The University entered into a loan agreement dated July 1, 2020 with KS StateBank to provide financing for piano purchases. The loan was approved for $457,908 with an interest rate of 4.04%. The University will make annual principal and interest payments of $102,974 through July 1, 2025.

Interest expense was $15,972 and $20,037 for 2023 and 2022, respectively. Scheduled fiscal year maturities on notes payable and related interest are as follows:

Year	Principal	Interest
2024	$ 122,880	$ 11,751
2025	127,260	7,370
2026	28,834	2,822
2027	29,394	2,262
2028	29,967	1,690
2029 - 2031	74,338	1,755
	$ 412,673	$ 27,650

10. Unearned Income

Over the life of the contract with the University's contracted food service provider, the University has entered into several agreements for the construction, expansion, and improvement of dining facilities across the campus. These investments are considered advances (unearned income) from Chartwells that are being amortized through fiscal year 2036. Advances at June 30, 2023 are summarized as follows:

	Balance - June 30, 2022	Additions	Amortization	Balance - June 30, 2023
Original investment	$ 1,052,207	$ —	$ (75,608)	$ 976,599
2009 Investment	256,180	—	(18,408)	237,772
2012 Investment	990,369	—	(71,164)	919,205
2013 Investment	302,355	—	(21,726)	280,629
2015 Investment	3,202,095	—	(230,091)	2,972,004
2018 Investment	697,837	—	(50,144)	647,693
2020 Investment	—	617,406	(37,419)	579,987
Follet - Bookstore	—	307,857	(5,131)	302,726
	$ 6,501,043	$ 925,263	$ (509,691)	6,916,615
Less: Current maturities (within one year)				542,829
				$ 6,373,786

11. Retirement Plan - Missouri State Employees' Retirement System (MOSERS)

General Information About The Pension Plan

Plan description. Benefit eligible employees of the University are provided with pensions through MOSERS - a cost-sharing multiple-employer defined benefit pension plan. Chapter 104.320 of the Revised Statutes of Missouri grants the authority to establish a defined benefit plan for eligible state and other related agency employees. MOSERS issues an annual Annual Comprehensive Financial Report (ACFR), a publicly available financial report that can be obtained at www.mosers.org.

Benefits provided. MOSERS provides retirement, disability, and life insurance benefits to eligible employees. The base retirement benefits are calculated by multiplying the employee's final average pay by a specific factor multiplied by the years of credited service. The factor is based on the specific plan in which the employee participates, which is based on the employee's hire date. Information on the three plans administered by MOSERS (MSEP, MSEP 2000 and MSEP2011 retirement plans) and how eligibility and the benefit amount is determined for each plan may be found in the Notes to the Financial Statements of MOSERS' ACFR.

Contributions. Per Chapter 104.436 of the Revised Statutes of Missouri, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP2011 Plan are required to contribute 4% of their annual pay. The University's required contribution rate for the year ended June 30, 2023, was 26.33% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, 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 contribution rate for the MOSERS plan year ended June 30, 2022 was 23.51%, which is the year of measurement for the net pension liability. Contributions to the pension plan from the University were $10,542,982 and $9,488,129 for the years ended June 30, 2023 and 2022, respectively.

Pension Liabilities, Pension Expense, And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At June 30, 2023 and 2022, the University reported a liability of $144,883,819 and $112,274,110, respectively, for its proportionate share of the net pension liability. The net pension liability at June 30, 2023 and 2022 was measured as of June 30, 2022 and 2021, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates.

The University's proportion of the net pension liability was based on the University's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for MOSERS plan year ended June 30, 2022. At June 30, 2022, the University's proportion was 2.02335%, an increase from its proportion measured using 2.00802% as of the June 30, 2021 measurement date.

During the MOSERS plan year ended June 30, 2020, there were changes to reduce the long-term expected rate of return on investments from 7.10% to 6.95%, which increased the total pension liability. The long-term expected rate of return remained 6.95% during the plan year ended June 30, 2022.

For the years ended June 30, 2023 and 2022, the University recognized pension expense of $8,311,384 and $14,604,812, respectively.

At June 30, 2023, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ 1,846,078	$ 38,782
Changes of assumptions	3,437,230	—
Net difference between projected and actual earnings on pension plan investments	7,709,992	—
Changes in proportion and differences between University contributions and proportionate share of contributions	576,219	1,459,189
University contributions subsequent to the measurement date of June 30, 2022	10,542,982	—
	$ 24,112,501	$ 1,497,971

At June 30, 2022, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ 1,790,245	$ 496,736
Changes of assumptions	7,852,478	—
Net difference between projected and actual earnings on pension plan investments	—	20,241,824
Changes in proportion and differences between University contributions and proportionate share of contributions	—	4,325,641
University contributions subsequent to the measurement date of June 30, 2020	9,488,129	—
	$ 19,130,852	$ 25,064,201

Deferred outflows of resources of $10,542,982 resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the University's fiscal year following MOSERS' fiscal year as follows:

Plan Year Ending June 30:	Amount
2022	$ 5,238,526
2023	1,058,105
2024	(142,355)
2025	5,917,272
	$ 12,071,548

Actuarial assumptions. The total pension liability in the June 30, 2022 and 2021 actuarial valuations, which are also the dates of measurement for financial reporting purposes, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%, approximate
Salary increases	2.75% - 10.00% annually including inflation
Wage inflation	2.25 annually
Investment rate of return	6.95% per year, compounded annually, net after investment expenses and including inflation

Pre-retirement mortality rates were based on the Pub-2010 General Members Below Median Employee mortality table, set back two years for males and set forward one year for females. Mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020.

Post-retirement mortality rates for retirees were based on the Pub-2010 General Members Below Median Healthy Retiree mortality table, scaled by 104%, set back two years for males and set forward one year for females. Mortality projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020.

Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Members Below Median Contingent Survivor mortality table, set back two years for males and set forward one year for females. Mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2016 to June 30, 2020.

Long-term investment rate of return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates rates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for both the old and new portfolios for each major asset class included in MOSERS target asset allocation as of June 30, 2022 is summarized in the following table:

Asset Class	Policy Allocation	Long-Term Expected Real Rate Of Return*	Weighted Average Long-Term Expected Real Rate Of Return
Global public equities	30.0%	7.7%	2.3%
Global private equities	15.0%	9.3%	1.4%
Long treasuries	25.0%	3.5%	0.9%
Core bonds	10.0%	3.1%	0.3%
Commodities	5.0%	5.5%	0.3%
TIPS	25.0%	2.7%	0.7%
Private real assets	5.0%	7.1%	0.3%
Public real assets	5.0%	7.7%	0.4%
Hedge funds	5.0%	4.8%	0.2%
Alternative beta	10.0%	5.3%	0.5%
Private credit	5.0%	9.5%	0.5%
Cash & cash equivalents **	-40.0%	0.0%	0.0%
		Correlation/Volatility Adjustment	-0.6%
	100.0%		7.2%
		Less: Investment Inflation Assumption	-1.9%
		Long-Term Expected Geometric Net Real Return	5.3%

** **Cash and cash equivalents policy allocation amounts are negative due to use of leverage.**

Discount rate. The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments of 6.95% was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the University's proportionate share of the net pension liability to changes in the discount rate. The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 6.95%, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
University's proportionate share of the net pension liability	$ 181,228,744	$ 144,883,819	$ 114,520,443

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

Payables To The Pension Plan

As of June 30, 2023 and 2022, the University had payables of $1,324.152 and $891,153, respectively, due to MOSERS for legally required contributions to the plan.

12. Retirement Plan - College And University Retirement Plan

Beginning July 1, 2002, in accordance with Section 104.1200 through 104.1215 of the Revised Statutes of Missouri, employees hired who meet the criteria of an "education employee" participate in the College and University Retirement Plan (CURP). It is a noncontributory 401(a) defined contribution plan for education employees at regional colleges/universities in Missouri. The MOSERS has been given the responsibility by law to implement and oversee the administration of the plan. The TIAA group of companies is the third-party administrator for the CURP and manages the investment options under the plan. Contributions made by the University are self-directed by participants into their selected individual accounts. By law, the CURP contribution rate is equal to 1% less than the normal cost contribution rate of the Missouri State Employees' Plan 2000 (MSEP 2000). After participating in CURP for at least six years, a faculty member may elect to become a member of MOSERS.

The University is required to contribute to CURP at a statutorily determined rate; the rate was 6.00% of annual covered payroll for 2023 and 2022, respectively. The University's contributions to CURP for the years ended June 30, 2023 and 2022 were $1,054,853 and $926,756, respectively, which equaled the required contributions for those years.

Payables To The CURP Plan

As of June 30, 2023 and 2022, the University had payables of $128,079 and $122,044, respectively, due to CURP for legally required contributions to the plan.

13. Postemployment Healthcare Plan

Plan Description. The University provides a one-time opportunity for retirees to continue medical insurance coverage until age 65. Retirees after October 22, 2010 who elect to continue medical insurance are required to pay monthly premiums determined by plan type elected and Medicare eligibility. Financial statements for the plan are not available.

The University's annual other postemployment benefit (OPEB) cost (expense) is calculated based on an actuarial valuation prepared in accordance with the parameters of GASB Statement No. 75. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Employees Covered by Benefit Terms. As of June 30, 2021, the following employees were covered by the benefit terms:

Active employees eligible for coverage	948
Inactive employees or beneficiaries currently receiving benefits	28
	976

Total OPEB Liability. The University's total OPEB liability of $3,948,274 and $3,777,052 were measured as of June 30, 2022 and 2021, and were determined by an actuarial valuation as of July 1, 2021.

Actuarial Assumptions and Methods. The total OPEB liabilities in the July 1, 2021 actuarial valuation were determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	4.09%
Annual Wage Increases	3.00%
Price Inflation	2.50%
Healthcare Cost Trend Rates	8% for 2020, decreasing 0.25% per year

Discount Rate. The University's plan is pay as you go and there is not a trust set up to hold plan assets, therefore the long-term expected rate of return is not a factor in determining the discount rate. The discount rate reflects the yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another scale), to the extent that the conditions for use of the long-term expected rate of return are not met. The source of the index rate used for the actuarial valuation is the S&P Municipal Bond 20 Year High Grade Rate Index.

Mortality rates were based on Pub-2010 General Headcount - Weighted Mortality with Scale MP-2021.

Changes in the Net OPEB Liability:

Balance at June 30, 2022	$ 3,777,052
Service cost	200,914
Interest cost	158,842
Net benefits paid by employer	(188,534)
Net Change	171,222
Balance at June 30, 2023	$ 3,948,274
Balance at June 30, 2021	$ 4,592,245
Service cost	272,733
Interest cost	96,349
Net benefits paid by employer	(157,914)
Difference between expected and actual experience	(469,809)
Changes in assumptions	(556,552)
Net Change	(815,193)
Balance at June 30, 2022	$ 3,777,052

Sensitivity Results. The following presents the total OPEB liability of the University as of June 30, 2023 and 2022, as well as what the University's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

		June 30, 2023	
	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
University's total OPEB liability	$ 4,289,418	$ 3,948,274	$ 3,640,041

		June 30, 2022	
	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
University's total OPEB liability	$ 4,107,142	$ 3,777,052	$ 3,478,930

The following presents the total OPEB liability of the University as of June 30, 2023 and 2022, as well as what the University's total OPEB liability would be if it were calculated using a health care trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

- The current health care trend rate is 8% decreasing by 0.25% annually to an ultimate rate of 4.50%
- The 1% decrease in health care trend rate would be 7% decreasing by 0.25% annually to an ultimate rate of 3.5%
- The 1% increase in health care trend rate would be 9% decreasing by 0..25% annually to an ultimate rate of 5.5%

		June 30, 2023	
	1% Decrease	Current Trend Rate	1% Increase
University's total OPEB liability	$ 3,514,802	$ 3,948,274	$ 4,456,556

		June 30, 2022	
	1% Decrease	Current Trend Rate	1% Increase
University's total OPEB liability	$ 3,384,971	$ 4,592,245	$ 4,234,945

For the years ended June 30, 2023 and 2022, the University recognized OPEB expense of $48,425 and $246,285, respectively. At June 30, 2023, the University reported deferred inflows of resources or deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ —	$ 557,223
Changes of assumptions	164,941	430,350
	$ 164,941	$ 987,573

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in OPEB expense in the University's future fiscal years as follows:

Year Ending June 30:	Amount
2024	$ (122,797)
2025	(122,797)
2026	(122,797)
2027	(122,797)
2028	(119,652)
2029 and after	(211,792)
	$ (822,632)

14. Contingencies And Risk Management

The University is subject to various legal proceedings and claims which arise in the ordinary course of its operations. In the opinion of the University management, the amount of ultimate liability with respect to these actions will not materially affect the overall financial position of the University.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the University's financial position.

University employees are covered under Worker's Compensation by the State of Missouri. Claims are submitted to the State and paid by the State on behalf of the University. Total claims paid for the University employees for fiscal year 2023 and fiscal year 2022 were $190,058 and $145,049, respectively.

The majority of University employees are also covered by unemployment insurance administered by the State of Missouri Division of Employment Security.

The University is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. The University purchases commercial insurance and also receives coverage through the State of Missouri for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

The University has purchased property on occasion that requires monitoring for environmental issues that could result in liability. As of June 30, 2023 and 2022, the University is not aware of any material environmental liability.

Effective January 1, 2020, the University established a self-insured medical program covering substantially all employees. The University's liability has been limited by the purchase of specific ($250,000 individual deductible limit in calendar year 2023 and 2022) and aggregate ($1,000,000 deductible in calendar year 2023 and 2022) reinsurance. The University has recorded a liability for expenses incurred but not reported of $665,052 and $1,297,616 as of June 30, 2023 and 2022, respectively, which is included in the accrued claims liability on the statement of net position.

The liability reported for claims incurred but not reported are based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information obtained prior to the issuance of the financial statements indicates it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated.

Changes in the balance of the insurance reserve liability during the years ended June 30, 2023 and 2022 were as follows:

Liability, July 1, 2021	$ 1,227,639
Current year claims and changes in estimates	8,657,809
Claim payments	8,587,832
Liability, June 30, 2022	$ 1,297,616
Current year claims and changes in estimates	$ 7,726,368
Claim payments	8,358,932
Liability, June 30, 2023	$ 665,052

15. Net Position

Restricted - Net position is restricted when constraints placed are either externally imposed, or are imposed by law or enabling legislation. The composition of restricted net position at June 30, 2023 and 2022 was:

	2023	2022
Nonexpendable		
Scholarships	$ 2,091,017	$ 1,970,860
Expendable		
Debt service	1,398,388	1,473,814
Loans	212,815	212,815
	1,611,203	1,686,629
Total Restricted	$ 3,702,220	$ 3,657,489

Unrestricted - Unrestricted net position is not subject to externally imposed stipulations; however, it may be subject to internal designations. For example, unrestricted net position may be designated for specific purposes by action of the Board of Governors or may otherwise be limited by contractual agreements with outside parties. Unrestricted net position excluding the effects of the pension obligation and related deferrals is internally designated for academic programs and initiatives, investment in inventories and capital programs. Designated unrestricted net position was $59,192,516 and $61,418,266 at June 30, 2023 and 2022, respectively. Undesignated, unrestricted net position, including those of auxiliary operations, was $(85,784,123) and $(89,725,720) at June 30, 2023 and 2022, respectively.

Undesignated unrestricted net position at June 30, 2023 and 2022 consists of the following:

	2023	2022
Undesignated Unrestricted		
Net pension liability at June 30, offset by pension-related deferred inflows and outflows, net of amounts included in restricted net position	$ (122,268,281)	$ (118,207,459)
All other operations of the University, including auxiliary operations	47,153,392	28,481,739
Total undesignated unrestricted net position	$ (75,114,889)	$ (89,725,720)

16. Leases And Subscription Based Information Technology Arrangements

Lessee

For arrangements where the University is the lessee, a lease liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the University's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

The University uses the implicit rate in the lease to calculate the present value of the lease payments if available. Otherwise, the University's incremental borrowing rate at the date the agreement is entered into is used. The University includes lease extension and termination options in the lease term if, after considering other economic factors, it is reasonably certain the University will exercise the option. The University does not recognize RTU assets and lease liabilities for leases with terms for 12 months or less.

The University has entered into 128 contracts as lessee for land, building, and equipment. The lease contracts expire at various dates through 2063. The right to use the leased assets are intangible assets and are further disclosed in the capital asset footnote disclosure at Note 6.

During 2023 and 2022, the University had the following activity under contracts where it is the lessee:

	Balance - June 30, 2022	Principal Additions	Principal Payments	Balance - June 30, 2023
Lease payable	$ 6,003,788	$ 329,987	$ (1,041,906)	$ 5,291,869
	$ 6,003,788	$ 329,987	$ (1,041,906)	5,291,869
Less: Current maturities (due within one year)				810,475
				$ 4,481,394

	Balance - June 30, 2021	Principal Additions	Principal Payments	Balance - June 30, 2022
Lease payable	$ 2,923,773	$ 4,175,164	$ (1,095,149)	$ 6,003,788
	$ 2,923,773	$ 4,175,164	$ (1,095,149)	6,003,788
Less: Current maturities (due within one year)				919,022
				$ 5,084,766

The following represents the future minimum lease payments required under the lease arrangements as of June 30, 2023:

Year	Principal	Interest
2024	$ 810,475	$ 102,585
2025	753,056	86,126
2026	713,916	70,429
2027	615,106	56,181
2028	530,757	44,597
2029 - 2033	1,706,744	97,270
2034 - 2038	151,192	9,928
20389 - 2043	1,709	1,008
2044 - 2048	1,896	819
2049 - 2053	2,102	608
2054 - 2058	2,331	374
2059 - 2063	2,585	115
	$ 5,291,869	$ 470,040

Lessor

For arrangements where the University is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the term. The deferred inflows of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

The University has entered into 26 contracts as lessor for land and buildings. The lease contracts expire at various dates through 2034. The following represents the future minimum lease revenue under the lease arrangements as of June 30, 2023:

Year	Principal	Interest
2024	$ 246,281	$ 9,658
2025	15,950	2,108
2026	10,067	1,820
2027	10,279	1,607
2028	10,493	1,393
2029 - 2033	55,905	3,499
2034 - 2038	5,466	23
	$ 354,441	$ 20,108

SBITAs

The University has entered into subscription-based information technology arrangements (SBITAs) for various multi-year software uses. These subscriptions expire with various dates through fiscal year ending June 30, 2027. The right to use assets are intangible assets and are recorded in capital assets as noted above. During the year ended June 30, 2023, the University paid $1,616,123 in subscription payments.

During 2023 and 2022, the University had the following activity under SBITA:

	Balance - June 30, 2022	Principal Additions	Principal Payments	Balance - June 30, 2023
Subscription liability	$ 1,792,923	$ 1,569,732	$ (1,542,959)	$ 1,819,696
	$ 1,792,923	$ 1,569,732	$ (1,542,959)	1,819,696
Less: Current maturities (due within one year)				1,016,218
				$ 803,478

	Balance - June 30, 2021	Principal Additions	Principal Payments	Balance - June 30, 2022
Subscription liability	$ 2,898,562	$ 137,728	$ (1,243,367)	$ 1,792,923
	$ 2,898,562	$ 137,728	$ (1,243,367)	1,792,923
Less: Current maturities (due within one year)				898,316
				$ 894,607

The following represents the future minimum contract payments required under the SBITA arrangements as of June 30, 2023:

Year	Principal	Interest
2024	$ 1,016,218	$ 71,919
2025	452,173	40,008
2026	282,078	27,036
2027	69,227	10,108
	$ 1,819,696	$ 149,071

17. Segment Information

A segment is an identifiable activity reported within a stand-alone entity for which one or more revenue bonds are outstanding. A segment has a specific identifiable revenue stream pledged in support of revenue bonds and has related expenses, gains and losses, assets and liabilities that are required by an external party to be accounted for separately. The University has one segment that meets the reporting requirements of GASB Statement No. 37, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments: Omnibus - an amendment of GASB Statements No. 21 and No. 34.* As of June 30, 2023 and 2022, the University's outstanding bond debt includes System Facilities Revenue Bonds. System Facilities is composed of the Housing System, the Student Union facility, the Student Recreation and Aquatic Center, and the Parking and Transit System. Revenue derived from the operation of these facilities is pledged for the retirement of the outstanding Series 2016A, Series 2016B, Series 2016C, & Series 2020 bonds and payment of interest thereon semi-annually on April 1 and October 1.

The condensed financial information for the System Facilities Revenue Bond Fund as of June 30, 2023 and 2022 is as follows:

Condensed Statement Of Net Position

	2023	2022
Current Assets	$ 10,911,204	$ 12,263,560
Noncurrent Assets		
Capital assets, net of depreciation	162,412,878	167,334,182
Total Assets	173,324,082	179,597,742
Deferred Outflows Of Resources	3,765,088	4,213,944
Current Liabilities	7,544,383	6,827,129
Noncurrent Liabilities	105,812,972	111,665,394
Total Liabilities	113,357,355	118,492,523
Deferred Inflows Of Resources	195,531	662,272
Net Position		
Net investment in capital assets	54,694,238	55,097,635
Unrestricted	8,842,046	9,559,256
Total Net Position	$ 63,536,284	$ 64,656,891

Condensed Statement Of Revenues, Expenses, And Changes In Net Position

	2023	2022
Operating Revenue		
Housing contracts, net of scholarship allowance	$ 17,792,067	$ 19,175,213
Student recreation center fees	2,094,180	2,049,704
Parking fees and fines	1,103,846	1,148,761
Food services	231,285	244,417
Other operating revenues	1,507,792	1,285,735
Total Operating Revenue	22,729,170	23,903,830
Operating Expenses		
Personnel service	3,091,788	3,963,622
Contract food service	6,259,693	6,601,355
Utilities and maintenance	1,929,104	2,341,786
Depreciation and amortization	6,644,837	6,160,619
Other operating expenses	3,497,910	1,082,484
Total Operating Expenses	21,423,332	20,149,866
Operating Income	1,305,838	3,753,964
Nonoperating Revenue (Expenses)		
Investment income	371,355	51,661
Disposal of plant facilities	(33,188)	(3,434,476)
Interest on capital asset related debt	(3,274,302)	(3,138,299)
Contribution revenue from food service vendor	509,690	1,395,186
Net Nonoperating Expenses	(2,426,445)	(5,125,928)
Increase In Net Position	(1,120,607)	(1,371,964)
Net Position Beginning Of Year, As Restated	64,656,891	66,028,855
Net Position End Of Year	$ 63,536,284	$ 64,656,891

Condensed Statement Of Cash Flows

	2023	2022
Net cash provided by operating activities	$ 8,831,258	$ 10,731,673
Net cash used in capital and related financing activities	(10,039,195)	(7,431,353)
Net cash provided by investing activities	371,355	51,661
Net decrease in cash and cash equivalents	(836,582)	3,351,981
Cash and cash equivalents - beginning of year	11,447,495	8,095,514
Cash and cash equivalents - end of year	$ 10,610,913	$ 11,447,495

18. Southeast Missouri University Foundation

The following disclosures pertain to the University's discretely presented component unit - the Foundation:

Investments And Investment Return

Investments at June 30, 2023 and 2022 consisted of the following:

	2023	2022
Cash and money market funds	$ 1,178,150	$ 1,360,209
Certificates of deposit	7,101,253	299,851
Equities:		
Domestic	23,149,373	22,421,309
Developing international	4,746,025	3,021,179
Mutual funds:		
Domestic	31,283,086	29,442,503
Developing international	27,696,795	24,177,620
Emerging market	5,899,560	4,326,405
International fixed income	6,548,712	4,382,516
Other	8,793,744	8,975,734
Corporate bonds	5,839,105	5,936,269
Asset back securities	579,946	289,664
U.S. Treasury securities	2,084,368	1,788,643
U.S. government obligations	1,976,734	2,174,986
Municipal securities	895,594	1,035,493
Alternative strategies	326,825	518,555
	128,099,270	110,150,936
Less: short-term investments	9,279,679	2,413,933
	$ 118,819,591	$ 107,737,003

Total investment return is comprised of the following as of June 30:

	2023	2022
Interest and dividends, net of fees	$ 6,621,207	$ 2,951,352
Unrealized and realized investment gains (losses)	4,844,135	(21,295,487)
	$ 11,465,342	$ (18,344,135)

Pledges Receivable

Pledges receivable at June 30 consists of:

	2023	2022
Pledges receivable	$ 513,954	$ 216,758
Allowance for doubtful accounts	(57,717)	(26,922)
	$ 456,237	$ 189,836

Property And Equipment

Property and equipment at June 30 consists of:

	2023	2022
Land	$ 7,620,564	$ 7,620,564
Buildings and improvement	7,055,955	8,246,149
Vehicles and equipment	159,266	216,083
	14,835,785	16,082,796
Less: Accumulated depreciation	4,813,503	5,349,063
	$ 10,022,282	$ 10,733,733

Notes Receivable

Notes receivable at June 30 consists of:

	2023	2022
City of Cape Girardeau	$ —	$ 2,116,460
APG Limited	375,657	407,024
	375,657	2,523,484
Less: Current maturities due within one year	375,657	491,367
	$ —	$ 2,032,117

On March 14, 2013, the Foundation sold 247.43 acres to the City of Cape Girardeau (the City). The City signed a 12-year, noninterest bearing promissory note for the amount of $5,520,000 to the Foundation. The City shall pay 12 annual installments of $460,000. Imputed interest amount was calculated using the long-term applicable federal rate for the month of March 2013, which was 2.66%. In April 2017, an additional $920,000 was added to the note as a result of a joint capital project between the City and the University. The City signed a new promissory note with the Foundation to fund the City's share of the capital improvements and the Foundation will reimburse the University as funds are collected from the City.

On December 9, 2013, the Foundation sold the property located at 401 and 505 Washington Avenue to APG Limited, LLC. APG Limited signed a 10-year promissory note with an interest rate of 2.25% for the amount of $647,000 to the Foundation. APG Limited shall pay 119 payments of $3,350 and a final balloon payment of $362,378.

Aggregate annual maturities of notes receivable at June 30, 2023 are:

Year	Amount
2024	$ 375,657

Notes Payable To Bank

Notes payable to bank at June 30 consists of:

	2023	2022
First Missouri State Bank - 315 South Lorimier	$ —	$ 134,242
Montgomery Bank - South Lorimier & 334 Morgan Oak	413,375	461,297
	413,375	595,539
Less: Current maturities due within one year	413,375	64,877
	$ —	$ 530,662

Aggregate annual maturities of notes payable at June 30, 2023 are:

Year	Amount
2023	$ 413,375

On December 28, 2012, the Foundation purchased property located at 315 South Lorimier in Cape Girardeau, Missouri. To finance the purchase, the Foundation entered into a promissory note with First Missouri State Bank in the amount of $289,220 with a maturity date of December 28, 2017. The Foundation renewed the note during the year with a revised maturity date of December 28, 2022. Current payments on the note are regular payments of $2,139 and one lump sum payment estimated at $126,447. The interest rate of the promissory note is 4.60% per annum.

On August 8, 2018, the Foundation entered into a promissory note with Montgomery Bank in the amount of $624,389 to consolidate and refinance the South Lorimier (A) and 334 Morgan Oak (B) notes. The promissory note requires 59 monthly principal and interest of $5,817, with one balloon payment estimated at $410,961 due at maturity on August 8, 2023. The promissory note bears interest at 4.91% per annum.

Net Assets

Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30 are available for the following purposes or periods:

	2023	2022
Endowed - perpetual	$ 93,361,547	$ 86,650,762
Other - perpetual	4,061,791	3,791,389
Endowed - spendable	8,230,052	7,059,622
Other - spendable	13,538,598	12,267,530
Loans	178,151	177,962
	$ 119,370,139	$ 109,947,265

Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2023	2022
Scholarships	$ 3,134,316	$ 2,661,773
Loans	2,736	1,131
Other purpose restrictions accomplished	2,913,435	2,444,963
	$ 6,050,487	$ 5,107,867

Annuity And Trust Obligations

The Foundation has been the recipient of several gift annuities and charitable remainder trusts, which require future payments to the contributors or their named beneficiaries. The assets received from the donor are recorded at fair values. The Foundation has recorded a liability of $966,302 and $1,031,176 at June 30, 2023 and 2022, respectively, which represents the present value of the future gift annuity obligations. The liability has been determined using a discount rate of 8.42% and 10.52% at June 30, 2023 and 2022, respectively. Additionally, the Foundation has recorded a liability at June 30, 2023 and 2022, of $99,130 and $187,993, respectively, which represents the present value of the future obligations to make distributions to the designated beneficiaries of charitable remainder trusts.

Operating Leases

The Foundation leases certain plant assets to the University. These leases will expire on various dates through fiscal year 2027. Future minimum lease payments at June 30, 2023 were:

Year	Amount
2023	$ 156,241
2024	129,078
2025	116,863
2026	71,595
2027	21,239
	$ 495,016

Restatement

The Foundation has restated its financial statements for the year ended June 30, 2022 to correct certain activities and net assets classifications between without donor restrictions and with donor restrictions. Management determined that certain endowment and other restricted funds were incorrectly classified as net asset without donor restriction and with donor restriction. As a result, management reclassified June 30, 2021 net assets of $8,464,366 from without donor restrictions to with donor restrictions.

19. Restatement

The University has restated its financial statements for the year ended June 30, 2022, due to several items identified during fiscal year 2023, as follows:

- As a result of management's effort of moving all books in the library collection from the Dewey tracking system to the Library of Congress tracking system, it was determined that much of the collection was too old to have historical cost and acquisition information for each volume. As such, management estimated the value of each book using the cost information that was available. This review resulted in a write down of library assets and related accumulated depreciation.

- After a full review of inventory, it was determined that certain rental textbook inventories recorded on its financial statements in fiscal year 2022 had historically been depreciated based on a factor system. GASB Statement No. 34 provides for certain assets (such as books) that are not required to be depreciated. As such, management determined that the depreciation from prior periods should be reversed.
- The University adopted GASB Statement No, 96, *Subscription-Based Information Technology Arrangements*, as discussed in footnote 16.

The tables that appear on the following pages reflect the impact which these adjustments had on the statement of net position and the statement of revenues, expenses, and changes in net position for fiscal year 2022.

Impact On The Statement Of Net Position As Of June 30, 2022:

	Unadjusted	Library Adjustments	Textbook Inventory Adjustments	GASB 96 Adoption Adjustments	Adjusted
Assets					
Current Assets					
Cash and cash equivalents	$ 37,363,374	$ —	$ —	$ —	$ 37,363,374
Restricted cash and cash equivalents	1,473,814	—	—	—	1,473,814
Short-term investments	41,821,566	—	—	—	41,821,566
Accrued interest receivable	133,128	—	—	—	133,128
Due from component unit - Foundation	809,982	—	—	—	809,982
Accounts receivable	4,586,925	—	—	—	4,586,925
Notes receivable	517,936	—	—	—	517,936
Lease receivable	730,405	—	—	—	730,405
Due from federal government	1,578,773	—	—	—	1,578,773
Inventory	2,075,388	—	2,503,305	—	4,578,693
Prepaid expenses	552,878	—	—	—	552,878
Pledges receivable (net of allowance of $573)	—	—	—	—	—
Total Current Assets	91,644,169	—	2,503,305	—	94,147,474
Noncurrent Assets					
Investments	24,795,544	—	—	—	24,795,544
Due from component unit - Foundation	1,970,863	—	—	—	1,970,863
Notes receivable	1,077,252	—	—	—	1,077,252
Lease receivable	139,774	—	—	—	139,774
Capital assets - non-depreciable	13,159,208	(986,826)	—	—	12,172,382
Capital assets, net - depreciable	385,115,897	(1,935,080)	—	—	383,180,817
Right of use assets, net	5,807,385	—	—	1,959,355	7,766,740
Total Noncurrent Assets	432,065,923	(2,921,906)	—	1,959,355	431,103,372
Total Assets	523,710,092	(2,921,906)	2,503,305	1,959,355	525,250,846
Deferred Outflows Of Resources					
Deferred amounts on refunding of bonds payable	7,424,702	—	—	—	7,424,702
Deferred amounts related to other postretirement employee benefit plan	201,514	—	—	—	201,514
Deferred amounts related to pension plan	9,642,723	—	—	—	9,642,723
Deferred amounts related to pension contributions	9,488,129	—	—	—	9,488,129
Total Deferred Outflows Of Resources	26,757,068	—	—	—	26,757,068
Liabilities					
Current Liabilities					
Accounts payable	3,696,537	—	—	—	3,696,537
Accrued compensation	8,027,938	—	—	—	8,027,938
Accrued claims liability	1,297,616	—	—	—	1,297,616
Bond interest payable	1,479,459	—	—	—	1,479,459
Funds held for others	77,186	—	—	—	77,186
Unearned income	7,003,782	—	—	—	7,003,782
Current portion of bonds payable	4,300,000	—	—	—	4,300,000
Current portion of notes payable	118,660	—	—	—	118,660
Current portion of lease payable	919,022	—	—	—	919,022
Current portion of subscription liability	—	—	—	898,316	898,316
Current portion of other post-retirement benefit liability	158,000	—	—	—	158,000
Total Current Liabilities	27,078,200	—	—	898,316	27,976,516
Noncurrent Liabilities					
Due to federal government	1,943,968	—	—	—	1,943,968
Bonds payable	154,388,270	—	—	—	154,388,270
Notes payable	412,673	—	—	—	412,673
Lease payable	5,084,766	—	—	—	5,084,766
Subscription liability	—	—	—	894,607	894,607
Unearned income	6,033,903	—	—	—	6,033,903
Net other postretirement employee benefit liability	3,619,052	—	—	—	3,619,052
Net pension liability	112,274,110	—	—	—	112,274,110
Total Noncurrent Liabilities	283,756,742	—	—	894,607	284,651,349
Total Liabilities	310,834,942	—	—	1,792,923	312,627,865
Deferred Inflows Of Resources					
Deferred amounts related to other postretirement employee benefit plan	1,146,943	—	—	—	1,146,943
Deferred amounts related to pension plan	25,064,201	—	—	—	25,064,201
Deferred amount from lease revenues	870,179	—	—	—	870,179
Total Deferred Inflows Of Resources	27,081,323	—	—	—	27,081,323
Net Position	$ 212,550,895	$ (2,921,906)	$ 2,503,305	$ 166,432	$ 212,298,726

Impact On The Statement Revenues, Expenses, And Changes In Net Position For The Year Ended June 30, 2022:

	Unadjusted	Library Adjustments	Textbook Inventory Adjustments	GASB 96 Adoption Adjustments	Adjusted
Operating Revenues					
Student tuition and fees	$ 53,517,484	$ —	$ —	$ —	$ 53,517,484
Federal grants - restricted	2,662,349	—	—	—	2,662,349
State grants and contracts - restricted	7,486,242	—	—	—	7,486,242
Nongovernmental grants and contracts - restricted	834,418	—	—	—	834,418
Sales and services of educational departments	2,916,132	—	—	—	2,916,132
Auxiliary enterprises:					
Residence life	17,275,088	—	—	—	17,275,088
Other auxiliary	7,702,066	—	—	—	7,702,066
Other operating revenues	7,769,483	—	—	—	7,769,483
Total Operating Revenues	100,163,262	—	—	—	100,163,262
Operating Expenses					
Personnel services	87,871,772	—	—	—	87,871,772
Scholarships	9,193,608	—	—	—	9,193,608
Utilities	5,073,443	—	—	—	5,073,443
Supplies and other services	33,873,524	—	68,475	(1,200,859)	32,741,140
Depreciation and amortization	21,323,059	(116,380)	—	1,034,427	22,241,106
Other post-employment benefit (OPEB) expense	88,371	—	—	—	88,371
Emergency COVID-19 student relief	10,415,698	—	—	—	10,415,698
Total Operating Expenses	167,839,475	(116,380)	68,475	(166,432)	167,625,138
Operating Loss	(67,676,213)	116,380	(68,475)	166,432	(67,461,876)
Nonoperating Revenues (Expenses)					
State appropriations	46,149,698	—	—	—	46,149,698
Federal grants - restricted	13,064,770	—	—	—	13,064,770
Emergency COVID-19 governmental assistance	20,198,032	—	—	—	20,198,032
Investment income	(227,676)	—	—	—	(227,676)
Contributions and gifts	1,424,610	—	—	—	1,424,610
Interest on capital asset-related debt	(5,201,879)	—	—	—	(5,201,879)
Loss on disposal of plant facilities	(4,817,019)	186,567	—	—	(4,630,452)
Net Nonoperating Revenues	70,590,536	186,567	—	—	70,777,103
Loss Before Other Revenues, Expenses And Gains	2,914,323	302,947	(68,475)	166,432	3,315,227
State capital appropriations	681,487	—	—	—	681,487
Capital grants and gifts	264,568	—	—	—	264,568
Total Other Revenues, Expenses And Gains	946,055	—	—	—	946,055
Change In Net Position	3,860,378	302,947	(68,475)	166,432	4,261,282
Net Position - Beginning Of Year	208,690,517	(3,224,853)	2,571,780	—	208,037,444
Net Position - End Of Year	$ 212,550,895	$ (2,921,906)	$ 2,503,305	$ 166,432	$ 212,298,726

Required Supplementary Information

SOUTHEAST MISSOURI STATE UNIVERSITY

SCHEDULES OF SELECTED PENSION INFORMATION
MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM
June 30, 2023
(In Thousands)

Schedule Of University's Proportionate Share Of The Net Pension Liability

	Measurement Date As Of June 30:								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
University's proportion of the net pension liability	2.0234%	2.0817%	2.0817%	2.1217%	2.3112%	2.4578%	2.4563%	2.4420%	2.3902%
University's proportionate share of the net pension liability	$ 144,883,819	$ 112,274,110	$ 132,137,222	$ 128,178,153	$ 128,922,744	$ 127,976,381	$ 114,021,149	$ 78,422,893	$ 56,354,914
University's covered-employee payroll	40,362,131	40,478,238	41,594,888	41,219,232	44,921,805	48,380,403	47,570,877	47,277,247	46.027,547
University's proportionate share of net pension liability as a percentage of its covered-employee payroll	358.96%	277.37%	317.68%	310.97%	286.99%	264.52%	239.69%	165.88%	122.44%
Plan fiduciary net position as a percentage of the total pension liability	53.53%	63.00%	55.48%	56.72%	59.02%	60.41%	63.60%	72.62%	79.49%

Notes: The above schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Information provided is based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

Schedule Of University's Contributions

	Fiscal Year End As Of June 30:									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Required contribution	$ 10,434,698	$ 9,488,129	$ 9,262,972	$ 9,051,938	$ 8,328,691	$ 8,739,287	$ 8,209,302	$ 8,072,759	$ 8,022,949	$ 8,096,002
Contributions in relation to the required contribution	10,434,698	9,488,129	9,262,972	9,051,938	8,328,691	8,739,287	8,208,979	8,072,759	8,022,949	8,096,002
University's covered-employee payroll	39,630.445	40,362,131	40,478,238	41,594,888	44,921,805	44,921,805	47,570,877	47,277.247	47,249.405	56.027.696
Contributions as a percentage of covered-employee payroll	26.33%	23.51%	22.88%	21.76%	19.45%	16.97%	17.26%	17.08%	16.98%	14.45%

Changes Of Benefit Terms Or Assumptions

Changes to assumptions in valuation reports included a change in the discount rate from 7.25% for the measurement date as of June 30, 2018 recorded by the University at June 30, 2019 to 7.10% for the measurement date as of June 30, 2019 recorded by the University at June 30, 2020 and to 6.95% for the measurement date as of June 30, 2020 recorded by the University at June 30, 2021.

Senate Bill 62 (SB62), which contained changes to the benefit structure for MSEP 2011, was passed by the 2017 legislature. The provisions of the bill decreased vesting from ten to five years of service, but also included provisions that essentially offset the cost of the vesting change. As a result, SB 62 had no impact on the employer contribution rate and created a decrease to the UAAL of $1.6 million.

During the MOSERS plan year ended June 30, 2020, there were changes to reduce the long-term expected rate of return on investments from 7.10% to 6.95%, which increased the total pension liability. During the MOSERS plan year ended June 30, 2019, there were changes to reduce the long-term expected rate of return on investments from 7.25% to 7.10%, which increased the total pension liability. During the MOSERS plan year ended June 30, 2018, there were changes to reduce the long-term expected rate of return on investments from 7.50% to 7.25%, which increased the total pension liability. During the MOSERS plan year ended June 30, 2017, there were changes to reduce the long-term expected rate of return on investments from 7.65% to 7.50%, which increased the total pension liability.

Changes to assumptions for the year ended June 30, 2016 were related to changes in the mortality table, investment returns, and salary increases.

SOUTHEAST MISSOURI STATE UNIVERSITY
SCHEDULES OF SELECTED POSTEMPLOYMENT HEALTHCARE PLAN INFORMATION
June 30, 2023

	As of June 30,					
	2023	2022	2021	2020	2019	2018
Service cost	$ 200,914	$ 272,733	$ 265,840	$ 258,097	$ 271,452	$ 263,545
Interest cost	158,842	96,349	153,675	148,277	126,667	123,611
Net benefits paid by employer	(188,534)	(157,914)	(270,172)	(236,736)	(312,318)	(264,832)
Other changes	—	(1,026,361)	—	(54,725)	—	—
Net change in total OPEB liability	171,222	(815,193)	149,343	114,913	85,801	122,324
Total OPEB liability - beginning of year	3,777,052	4,592,245	4,442,902	4,327,989	4,242,188	4,119,864
Total OPEB liability - end of year	$ 3,948,274	$ 3,777,052	$ 4,592,245	$ 4,442,902	$ 4,327,989	$ 4,242,188
Covered employee payroll	$ 55,441,474	$ 53,826,673	$ 54,530,104	$ 52,941,848	$ 60,235,272	$ 58,480,847
Total OPEB liability as a percentage of covered employee payroll	7.12%	7.02%	8.42%	8.39%	7.19%	7.25%

Notes: The above schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

SOUTHEAST MISSOURI STATE UNIVERSITY

AUDITOR COMMUNICATIONS

JUNE 30, 2023

RubinBrown

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Board of Governors
Southeast Missouri State University
Cape Girardeau, Missouri

We have audited the financial statements of Southeast Missouri State University (the University) as of and for the year ended June 30, 2023 and have issued our report thereon dated January 23, 2024. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 12, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 2 to the financial statements. During 2023, the University implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Apart from this, no new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2023.

We noted no transactions entered into during the year for which there was a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred. There are no instances where we consider a significant accounting practice that is acceptable under the applicable financial reporting framework not to be most appropriate to the particular circumstances of the University.

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. There were no significant unusual transactions identified as a result of our audit procedures that were brought to the attention of management.

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

Allowance for uncollectible loans and student loans receivable: Management has derived an estimated amount of loans and student accounts receivable that will not be collected in the future, utilizing a historical collection percentage.

The depreciable lives used to calculate depreciation: Management's estimate of the depreciable lives of buildings and building improvements, infrastructure and equipment is based on the assets' estimated useful lives.

Net pension liability: Management estimates the future liability for pension benefits based upon an actuarial calculation that includes assumptions related to mortality, investment return, and the discount rate utilized.

Net other postretirement employee benefit liability: Management estimates the future liability for postretirement benefits based upon an actuarial estimate of future health insurance costs for eligible retirees participating in the program.

Self-insurance claims liability: Management estimates incurred but not reported claims related to the University's self-insured medical program based on subsequent claims payments and historical experience.

The disclosures to the financial statements are neutral, consistent and clear. Certain financial statement disclosures are particularly sensitive because of their significance to the users of the financial statements. The most sensitive disclosures affecting the financial statements are:

- The disclosure of deposits and investments in Note 3.
- The disclosures of capital assets in Note 6.
- The disclosure of long-term liabilities in Notes 8 and 9.
- The disclosures in Note 11 relating to the net pension liability and related deferred inflows and outflows of resources.
- The disclosures in Note 13 relating to the net other postretirement employee benefit liability.
- The disclosures in Note 16 relating to leases and subscription-based information technology arrangements.

- Disclosures related to the Foundation, a discretely presented component unity, in Note 18.
- The disclosures in Note 19 related to the restatement of the fiscal year 2021 financial statements.

Circumstances that Affect the Form and Content of the Auditors' Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditors' report. We added two emphasis of matter paragraphs to our auditors' report in order to draw attention to the restatement of the 2022 financial statements (as disclosed in Note 19) and the adoption of GASB Statement No. 96 (as disclosed in Note 16).

Matters Resulting in Consultation Outside the Engagement Team

We consulted with other RubinBrown partners regarding the restatement of the fiscal year 2022 financial statements.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected misstatements of the financial statements identified by us during the audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no corrected misstatements of the financial statements identified by us during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the attached management representation letter.

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

This information is intended solely for the information and use of the Finance and Audit Committee and the Board of Directors of Southeast Missouri State University and is not intended to be and should not be used by anyone other than these specified parties.

RubinBrown LLP

January 23, 2024

SOUTHEAST MISSOURI
STATE UNIVERSITY · 1873

January 23, 2024

RubinBrown LLP
7676 Forsyth Blvd Suite 2100
Saint Louis, Missouri 63105

This representation letter is provided in connection with your audit of the financial statements of Southeast Missouri State University as of June 30, 2023 and 2022, and for the years then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements present fairly, in all material respects, the financial position of the business-type activities and the discretely presented component unit of Southeast Missouri State University, and the changes in financial position and cash flows in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

We understand we are responsible for management decisions and functions, for designating a qualified employee to oversee any nonattest services you provide, for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, as of January 23, 2024 the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
2. The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds, required supplementary information, and notes to the basic financial statements.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions used by us in making accounting estimates are reasonable.
6. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9. Guarantees, whether written or oral, under which the Board of Regents is contingently liable, if any, have been properly recorded or disclosed.

10. All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
11. All funds and activities are properly classified.
12. All net position components and fund balance classifications have been properly reported.
13. All interfund and intra-entity transactions and balances have been properly classified and reported.
14. Special items and extraordinary items have been properly classified and reported.
15. Deposit and investment risks have been properly and fully disclosed.
16. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
17. All required supplementary information is measured and presented within the prescribed guidelines.
18. With regard to pensions and OPEB:
    a. We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
    b. Increases in benefits, elimination of benefits and all similar amendments, if any, have been disclosed in accordance with U.S. GAAP and are included in the most recent actuarial valuation, or disclosed as a subsequent event.
19. As discussed in Note 19 to the financial statements, the financial statements have been restated to reflect changes related to the correction of errors. All corrections are properly accounted for and appropriately disclosed in the notes to the financial statements.

Information Provided

20. We have provided you with:
    a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
    b. Additional information that you have requested from us for the purpose of the audit; and
    c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
    d. Minutes of the meetings of the Board of Regents or summaries of actions of recent meetings for which minutes have not yet been prepared.
21. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
22. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
23. We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
24. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
    a. Management;
    b. Employees who have significant roles in internal control; or
    c. Others where the fraud could have a material effect on the financial statements.
25. We have no knowledge of any instances, that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance, whether communicated by employees, former employees, vendors (contractors), regulators, or others.
26. We have no knowledge of any instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that has a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
27. We have no knowledge of any instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
28. We have identified for you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

29. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
30. We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
31. There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
32. The entity has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
33. We have disclosed to you all guarantees, whether written or oral, under which the entity is contingently liable.
34. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
35. There are no violations or possible violations or laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
36. There are no other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB 62.
37. We have disclosed to you all known actual or possible litigation, claims and assessment whose effects should be considered when preparing the financial statements. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
38. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
39. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB 62. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
40. With respect to the *required supplementary information* accompanying the financial statements:
    a. We acknowledge our responsibility for the presentation of the *required supplementary information* in accordance with U.S. GASB 68 and GASB 75.
    b. We believe the *required supplementary information*, including its form and content, is measured and fairly presented in accordance with GASB 68 and GASB 75
    c. The methods of measurement or presentation have not changed from those used in the prior period

Single Audit

41. With respect to federal awards, we represent the following to you:
    a. We are responsible for understanding and complying with, and have complied with, the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
    b. We are responsible for the preparation and presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance.
    c. We believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with the Uniform Guidance.
    d. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.

e. We are responsible for including the auditor's report on the schedule of expenditures of federal awards in any document that contains the schedule and that indicates that the auditor has reported on such information.
f. We have identified and disclosed all of our government programs and related activities subject to the Uniform Guidance compliance audit.
g. When the schedule of expenditures of federal awards is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by the entity of the schedule of expenditures of federal awards and the auditor's report thereon.
h. We have, in accordance with the Uniform Guidance, identified in the schedule of expenditures of federal awards, expenditures made during the audit period for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, food commodities, direct appropriations, and other assistance.
i. We have provided to you our interpretations of any compliance requirements that are subject to varying interpretations.
j. We have made available to you all federal awards (including amendments, if any) and any other correspondence relevant to federal programs and related activities that have taken place with federal agencies or pass-through entities.
k. We have received no requests from a federal agency to audit one or more specific programs as a major program.
l. We have identified and disclosed to you all amounts questioned and any known noncompliance with the direct and material compliance requirements of federal awards, including the results of other audits or program reviews, or stated that there was no such noncompliance. We also know of no instances of noncompliance with direct and material compliance requirements occurring subsequent to period covered by the auditor's report.
m. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
o. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
p. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
q. We have properly classified amounts claimed or used for matching in accordance with related guidelines in the Uniform Guidance, as applicable.
r. We have charged costs to federal awards in accordance with applicable cost principles.
s. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
t. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
u. The reporting package does not contain personally identifiable information.
v. We have disclosed all contracts or other agreements with service organizations and disclosed to you all communications from these service organizations relating to noncompliance at the organizations.
w. We have reviewed, approved, and taken responsibility for the financial statements and related notes and an acknowledgment of the auditor's role in the preparation of this information.

x. We have reviewed, approved, and taken responsibility for accrual adjustments and an acknowledgment of the auditor's role in the preparation of the adjustments. (This representation is required by footnote 28 to paragraph 3.18 of *Government Auditing Standards* when the auditor has a role in converting cash-basis financial statements to accrual-based financial statements.)

y. We have disclosed to you the nature of any subsequent events that provide additional evidence with respect to conditions that existed at the end of the reporting period that affect noncompliance during the reporting period.

In addition:

z. We are responsible for understanding and complying with the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major federal program; and we have complied with these direct and material compliance requirements.

aa. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs that provide reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal award that could have a material effect on our federal programs. Also, no changes have been made in the internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to significant deficiencies and material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditor's report.

bb. We are responsible for and have accurately completed the appropriate sections of the Data Collection Form and we are responsible for taking corrective action on audit findings of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

Dr. Carlos Vargas-Aburto, President

Dr. Brad Sheriff, Vice President of Finance and Administration

SOUTHEAST MISSOURI STATE UNIVERSITY

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

JUNE 30, 2023

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

Board of Governors
Southeast Missouri State University
Cape Girardeau, Missouri

We have audited, in accordance with the 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 Southeast Missouri State University (the University), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated January 23, 2024.

Report on 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency described in the accompanying schedule of findings as item 2023-001 that we consider to be a material weakness.

Report on 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.*

University's Response To Finding

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the finding identified in our audit and described in the accompanying schedule of findings. The University's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose Of This Report

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

RubinBrown LLP

January 23, 2024

Finding 2023-001 Valuation of Textbook Inventory and Library Books

Material Weakness

Criteria Or Specific Requirement: Pursuant to the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, the University should record inventory at cost, and should record capital items at cost minus accumulated depreciation.

Condition: During 2023, the University identified the following errors in the manner in which it had been recording textbook inventory and library books:

- The University had been amortizing the cost of textbook inventory over a three year period. The University should have been recording textbook inventory at cost provided that it was still deemed to be sellable. Accordingly, the cost of textbook inventory had been understated.
- The University had been recording library books (a capital asset) as a single asset within its accounting record instead of tracking the cost of individual books. When the University performed a complete inventory of all books during 2023, the University determined that the cost of library books had been overstated.

Context: The University recorded a restatement to net position as of July 1, 2021 of $2,571,780 to increase the book value of textbook inventory. The University also recorded a restatement to net position as of July 1, 2021 of $3,224,853 to decrease the book value of library books. Further restatements to the fiscal year 2022 financial statements were also made.

Effect: The University's fiscal year 2022 and prior years financial statements were misstated relative to textbook inventory and library books, and a restatement was required.

Cause: The University did not properly account for textbook inventory in accordance with GASB requirements. The University also did not track library book cost by individual book.

Recommendation: We recommend the University report textbook inventory at cost going forward, provided that the inventory is still deemed to be sellable. We recommend that University maintain accurate textbook inventory records which are reconciled to the general ledger regularly, and that obsolete inventory is written off in a timely fashion. We also recommend that the University continue to track the cost of library books by individual book, and that additions to and deletions from the University's library book collection are recorded within the general ledger and fixed asset records in a timely fashion.

Views Of Responsible Officials And Planned Corrective Action: Upon identifying the historic misstatements of textbook and library book inventory, Controller's Office staff, in conjunction with the University's consultants, updated the relevant inventory valuation and depreciation methods in order to restate fiscal year 2022 and to provide correct values for the University's fiscal year 2023 financial statements. The updated methods have been documented and shared with Textbook Rental staff and Library staff for use going forward. The Controller's Office will monitor the information provided by these units and ensure that correct inventory and depreciation values are used for future years' financial statements.

SOUTHEAST MISSOURI STATE UNIVERSITY SYSTEM FACILITIES

FINANCIAL STATEMENTS

JUNE 30, 2023

SOUTHEAST MISSOURI
STATE UNIVERSITY · 1873

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Certified Public Accountants and Business Consultants

Independent Auditors' Report

Board of Governors
Southeast Missouri State University
System Facilities
Cape Girardeau, Missouri

Report On The Audit Of The Financial Statements

Opinion

We have audited the financial statements of the business-type activities of Southeast Missouri State University System Facilities, (System Facilities) of Southeast Missouri State University (the University), a component unit of the State of Missouri, as of and for the years ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the System Facilities basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the business-type activities of System Facilities as of June 30, 2023, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis For Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of System Facilities and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis Of A Matter Relating To Financial Reporting Entity

As discussed in Note 1, the basic financial statements of the System Facilities are intended to present the financial position, changes in financial position, and cash flows of only that portion of the University that is attributable to the System Facilities. They do not purport to, and do not, present fairly the financial position of the University as of June 30, 2023, and its changes in financial position and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Responsibilities Of Management For The Financial Statements

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

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

Auditors' Responsibilities For The Audit Of The Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of System Facilities' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about System Facilities' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Board of Governors
Southeast Missouri State University
System Facilities

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the System Facilities' basic financial statements. The schedules of insurance coverage, enrollment and fees, room and board costs - five-year trend, student composition - university housing system, housing occupancy and university residence hall capacities as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

RubinBrown LLP

January 23, 2024

This discussion and analysis of Southeast Missouri State University System Facilities' (the System Facilities) basic financial statements provides an overview of the System Facilities' financial performance during the year ended June 30, 2022. The Management's Discussion and Analysis is designed to focus on current activities and resulting changes, and should be read in conjunction with the System Facilities' basic financial statements and footnotes.

Using This Report

This report consists of a series of basic financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments,* and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis - for Public Colleges and Universities.* The Statement of Net Position includes the assets, liabilities, deferred inflows and outflows of resources and net position of the System Facilities as of the end of the fiscal year. The Statement of Net Position is a point of time financial statement. It is prepared under the accrual basis of accounting, whereby assets are recognized when the service is provided and the liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The Statement of Revenue, Expenses and Changes in Net Position presents the revenues earned and expenses incurred during the year. Activities are reported as either operating, nonoperating or other. The utilization of long-lived assets, referred to as Capital Assets, is reflected in the basic financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The Statement of Cash Flows presents the System Facilities' inflows and outflows of cash. The primary purpose of the Statement of Cash Flows is to provide information about the System Facilities' cash receipts and payments summarized by operating, capital and related financing, noncapital financing and investing activities.

Financial Analysis Of The System Facilities

The following table reflects the Net Position for the System Facilities as of June 30:

	2023	2022
Current Assets	$ 10,911,204	$ 12,263,560
Noncurrent Assets		
Capital assets, net of depreciation	162,412,878	167,334,182
Total assets	173,324,082	179,597,742
Deferred Outflows of Resources	3,765,088	4,213,944
Current Liabilities	7,544,383	6,827,129
Noncurrent Liabilities	105,812,972	111,665,394
Total liabilities	113,357,355	118,492,523
Deferred Inflows of Resources	195,531	662,272
Net Position		
Net investment in capital assets	54,694,238	55,097,635
Unrestricted	8,842,046	9,559,256
Total net position	$ 63,536,284	$ 64,656,891

Current assets consist primarily of cash and cash equivalents. Current assets totaled $10.9 and $12.3 million for June 30, 2022 and 2021, respectively.

Noncurrent assets are capital assets (net of depreciation). Noncurrent assets declined to $162.4 million at June 30, 2023 from $167.3 million at June 30, 2022.

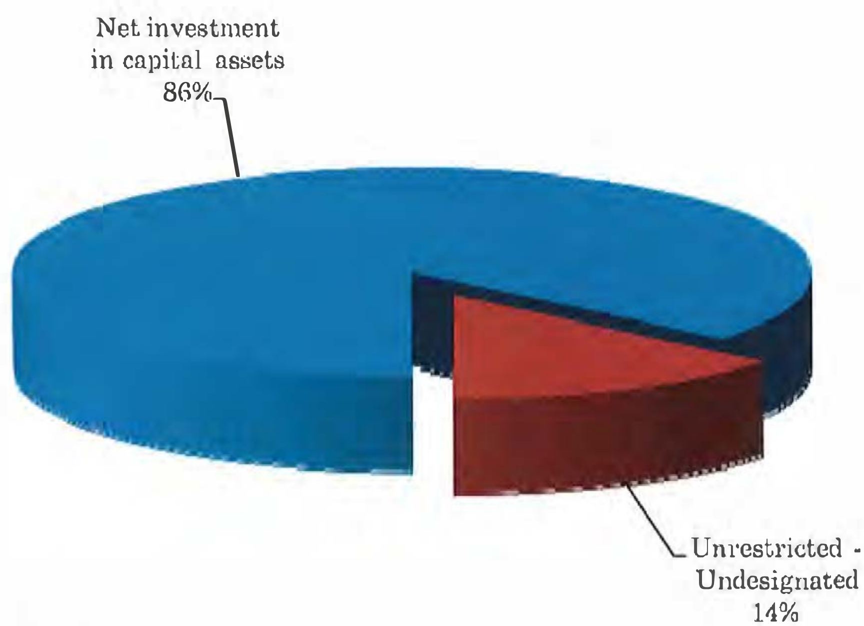
Current liabilities consist of accounts payable, accrued compensation, and accrued interest payable, as well as the current portion (payable within one year) of bonds payable, notes payable, and unearned income. Current liabilities totaled $7.5 and $6.8 million at June 30, 2023 and 2022, respectively.

Noncurrent liabilities consist of long-term debt, which totaled $99.4 million at June 30, 2023. Noncurrent liabilities also include long-term unearned income – $6.4 million at June 30, 2023 – which is comprised primarily of advances from Chartwells, the University's contracted food service provider, for capital investments that are being amortized through 2036. Follett, the University's contracted bookstore provider, also provided a modest capital investment in 2023.

Net position represents the residual interest in the System Facilities' assets and deferred outflows after liabilities are deducted.

		2023		2022
Net Position				
Net investment in capital assets	$	54,694,238	$	55,097,635
Unrestricted:				
Undesignated		8,842,046		9,559,256
Total Unrestricted		8,842,046		9,559,256
Total net position	$	63,536,284	$	64,656,891

Following is a breakdown of net position at June 30, 2023:



Net investment in capital assets represents the System Facilities' capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Net investment in capital assets decreased approximately $0.4 million from $55.1 million at June 30, 2022 to $54.7 million at June 30, 2023. The decrease is primarily due to depreciation expense recognized during 2023 exceeding the addition of new assets.

Unrestricted-undesignated net position of the System Facilities was approximately $8.8 million at June 30, 2023, which was a decrease of $0.8 million from June 30, 2022.

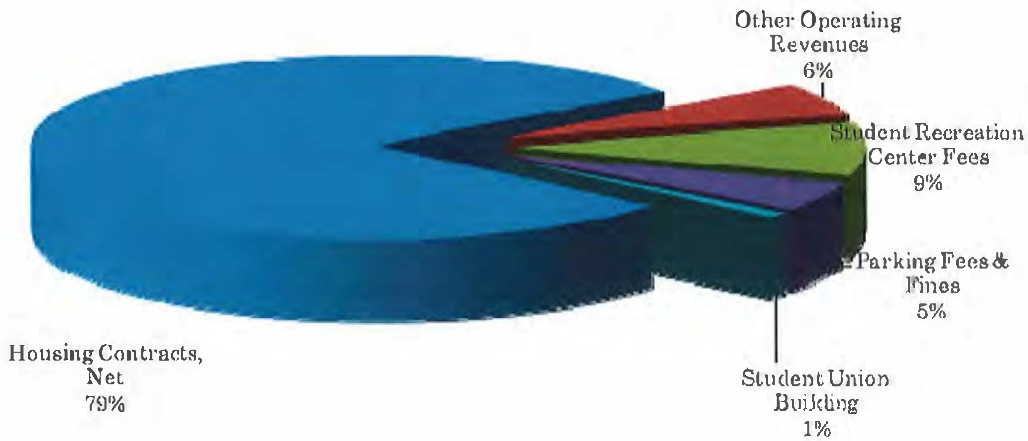
The following schedule reflects the condensed revenues and expenses of the System Facilities for fiscal years 2023 and 2022:

Condensed Statements Of Revenues Expenses And Changes In Net Position Years Ended June 30, 2023 And 2022

	2023	2022
Operating Revenue		
Housing contracts, net of scholarship allowance	$ 17,792,067	$ 19,175,213
Student recreation center fees	2,094,180	2,049,704
Parking fees and fines	1,103,846	1,148,761
Student union building fees	231,285	244,417
Other operating revenues	1,507,792	1,285,735
Total operating revenue	22,729,170	23,903,830
Operating Expenses		
Personnel service	3,091,788	3,963,622
Contract food service	6,259,693	6,601,355
Utilities and maintenance	1,929,104	2,341,786
Depreciation	6,644,837	6,160,619
Other operating expenses	3,497,910	1,082,484
Total operating expenses	21,423,332	20,149,866
Operating income	1,305,838	3,753,964
Nonoperating Revenue (Expenses)		
Investment income	371,355	51,661
Interest on capital asset related debt	(3,274,302)	(3,434,476)
Loss on disposal of capital assets	(33,188)	(3,138,299)
Contribution revenue from food service vendor	509,690	1,395,186
Net nonoperating expenses	(2,426,445)	(5,125,928)
Change in net position	(1,120,607)	(1,371,964)
Net position beginning of year (as restated)	64,656,891	66,028,855
Net position end of year	$ 63,536,284	$ 64,656,891

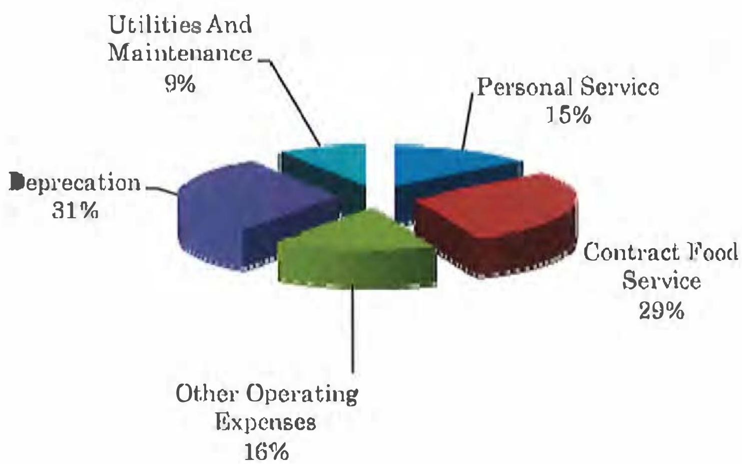
The most significant sources of operating revenue for Systems Facilities are housing contracts, student recreation center fees, and parking fees and fines. Operating revenues declined $1.2 million from $23.9 million at June 30, 2022 to $22.7 million at June 30, 2023. Nonoperating revenues include investment income and the amortization of financial support provided as investment in plant by the University's food service vendor.

Following is a graphic illustration of revenue by source for fiscal year 2023:



Operating expenses of the System Facilities totaled $21.4 million and $20.1 million for the fiscal years ended June 30, 2023 and June 30, 2022, respectively.

Following is a graphic illustration of operating expenses by source for the period ended June 30, 2023:



Capital Assets

At June 30, 2023 and 2022, the System Facilities' investment in capital assets totaled $162.4 and $167.3 million, respectively, as follows:

	2023	**2022**
Buildings and improvements	$ 219,566,613	$ 218,178,970
Infrastructure	19,623,748	19,623,748
Leasehold improvements	1,167,529	1,145,454
Construction in progress	597,136	250,133
Lease right to use asset	55,814	121,776
Less: Accumulated depreciation	(78,597,962)	(71,985,899)
	$ 162,412,878	$ 167,334,182

Additional information on Capital Assets can be found in Note 4 of the financial statements.

Bonds And Notes Payable

The System Facilities had outstanding bonds of approximately $99.3 and $100.7 million at June 30, 2023 and 2022, respectively.

The System Facilities also has a note payable to the University's contract food service provider of approximately $133,800 and $170,000 at June 30, 2023 and 2022, respectively.

Additional information on Bonds and Notes Payable can be found in Notes 5 and 6 of the financial statements.

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES

STATEMENT OF NET POSITION
June 30, 2023

Assets	
Current Assets	
Cash and cash equivalents	$ 9,092,853
Restricted cash and cash equivalents	1,518,060
Accounts receivable	300,291
Total Current Assets	10,911,204
Noncurrent Assets	
Capital assets - non-depreciable	597,136
Capital assets, net - depreciable	161,815,742
Total Noncurrent Assets	162,412,878
Total Assets	173,324,082
Deferred Outflows Of Resources	
Deferred amounts on refunding of bonds payable	3,765,088
Liabilities	
Current Liabilities	
Accounts payable	313,840
Accrued interest payable	940,416
Accrued compensation	190,970
Unearned income	970,930
Notes payable	18,227
Bonds payable	5,110,000
Total Current Liabilities	7,544,383
Noncurrent Liabilities	
Notes payable	133,792
Unearned income	6,373,786
Leases payable	19,826
Bonds payable	99,285,568
Total Noncurrent Liabilities	105,812,972
Total Liabilities	113,357,355
Deferred Inflows Of Resources	
Deferred amounts on lease revenues	195,531
Net Position	
Net investment in capital assets	54,694,238
Unrestricted	8,842,046
Total Net Position	$ 63,536,284

See the notes to financial statements.

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For The Year Ended June 30, 2023

Operating Revenues	
Housing contracts (net of scholarship allowance of $2,187,865)	$ 17,792,067
Student recreation center fees	2,094,180
Food services	231,285
Student parking fees	700,491
Fines/parking tickets	403,355
Intracampus charges	
Residence life	1,503,488
Other auxiliary	4,304
Total Operating Revenues	22,729,170
Operating Expenses	
Personnel service	3,091,788
Contract food service	6,259,693
Utilities and maintenance	1,929,104
Depreciation and amortization	6,644,837
Other operating expenses	3,497,910
Total Operating Expenses	21,423,332
Operating Income	1,305,838
Nonoperating Revenues (Expenses)	
Investment income	371,355
Interest on capital asset-related debt	(3,274,302)
Loss on disposal of capital assets	(33,188)
Contribution revenue from food service vendor	509,690
Total Nonoperating Expenses, Net	(2,426,445)
Change In Net Position	(1,120,607)
Net Position - Beginning Of Year	64,656,891
Net Position - End Of Year	$ 63,536,284

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES

STATEMENT OF CASH FLOWS
For The Year Ended June 30, 2023

Cash Flows From Operating Activities	
Student and housing fees	$ 20,818,023
Other receipts	1,960,180
Payments to vendors and suppliers	(10,825,657)
Payments to employees	(3,121,288)
Net Cash Provided By Operating Activities	8,831,258
Cash Flows From Capital And Related Financing Activities	
Purchases of capital assets and payments to contractors	(1,756,721)
Principal paid on capital debt	(4,330,369)
Interest paid on capital debt	(3,952,105)
Net Cash Used In Capital And Related Financing Activities	(10,039,195)
Cash Flows Provided By Investing Activities	
Interest on investments	371,355
Net Decrease In Cash And Cash Equivalents	(836,582)
Cash And Cash Equivalents - Beginning Of Year	11,447,495
Cash And Cash Equivalents - End Of Year	$ 10,610,913

Reconciliation Of Operating Income To Net Cash From Operating Activities	
Operating income	$ 1,305,838
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation and amortization expense	6,644,837
Changes in assets and liabilities:	
Receivables, net	49,033
Accounts payable and accrued liabilities	861,050
Accrued compensated absences	(29,500)
Net Cash Provided By Operating Activities	$ 8,831,258

1. Organization

The basic financial statements include the accounts of Southeast Missouri State University (the University) established by the terms of the bond resolutions for the System Facilities Revenue Bonds and Taxable System Facilities Revenue Bonds 2016A and 2016B dated February 26, 2016, the System Facilities Revenue Bonds 2016C dated August 10, 2016, and the System Facilities Refunding Revenue Bonds 2020 dated April 1, 2020. The basic financial statements reflect only the assets, liabilities, deferred inflows and outflows of resources, net position, and revenues and expenses of the System Facilities.

The System Facilities is composed of the Housing System, the Student Union facility (University Center), the Student Recreation Center, the Outdoor Recreation Fields and the Parking and Transit System. The Housing System is composed of all residence halls and related dining facilities, including Myers Hall, Group Housing, the Towers High Rise Housing, Vandiver Hall, Merick Hall, Henderson Hall, LaFerla Hall, Dobbins River Campus Center and Greek Housing. Revenue derived from the operation of these facilities is pledged for the retirement of the outstanding Series 2016A, 2016B, 2016C and 2020 bonds and payment of interest thereon semi-annually on April 1 and October 1.

2. Basis Of Accounting And Presentation And Summary Of Significant Accounting Policies:

Basis Of Accounting And Presentation

The basic financial statements of the System Facilities have been prepared using the economic resource measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for publicly owned colleges and universities and is presented in accordance with the reporting model as prescribed in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, and GASB Statement No. 35, Basic Financial Statements - Management's Discussion and Analysis for Public Colleges and Universities.* The System Facilities follows the "business-type" activities requirements of GASB Statement No. 34.

Summary Of Significant Accounting Policies

Cash And Cash Equivalents

These assets represent all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents and restricted cash and cash equivalents are combined on the statement of cash flows and represent cash and repurchase agreements.

Capital Assets

Physical properties are recorded at cost or, when donated, at acquisition value at date of gift. All financially significant building and infrastructure additions and improvements are capitalized if the life of the capital asset is extended. Depreciation is computed using the straight-line method, with a full-year expense in the year after acquisition and partial depreciation through the month of disposition. Capital assets are depreciated over the estimated useful lives as follows:

Capital Assets	Years
Building and improvements	10 to 50
Infrastructure	10 to 50

When capital assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts.

Compensated Absences

System Facilities employees earn vacation benefits based, in part, on length of service. Vacation pay is fully vested when earned. Upon separation from service, employees are paid accumulated vacation pay based upon the nature of separation (death, retirement or termination). Certain limitations have been placed on the hours of vacation that employees may accumulate and carry over for payment at termination, retirement or death. Unused hours exceeding these limitations are forfeited.

Net Position

Resources are required to be classified for accounting and reporting purposes into the following three net position categories:

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

- *Restricted*:

  Nonexpendable - Net position subject to externally imposed stipulations that the System Facilities maintain them permanently.

  Expendable - Net position whose use by the System Facilities is subject to externally imposed stipulations that will be fulfilled by actions of the System Facilities pursuant to those stipulations or that expire by the passage of time.

- *Unrestricted*: Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Governors or may otherwise be limited by contractual agreements with outside parties. A portion of unrestricted net position is designated for investment in inventories.

The University first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position are available.

Eliminations, Discounts And Allowances

In preparing the basic financial statements, the System Facilities eliminates inter-fund assets and liabilities that would otherwise be reflected twice in the statement of net position. Similarly, revenues and expenses related to internal service activities are also eliminated from the statement of revenues, expenses, and changes in net position. Student and housing revenues are reported net of scholarship discounts and allowances in the statement of revenues, expenses, and changes in net position.

Operating And Nonoperating Revenues

The System Facilities' policy for defining operating activities as reported on the statement of revenues, expenses, and changes in net position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Operating revenues include various auxiliary services, such as housing and various general fees. Nearly all of the System Facilities' expenses are from exchange transactions. Certain revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB Statement No. 34. Nonoperating revenues include revenues from activities that have the characteristics of nonexchange transactions such as investment income.

Unearned Income

Unearned income consists primarily of the University's dining services vendor's investment in facilities. Although the current contract runs through fiscal year 2031, the amortization schedule for the $6.0 million balance at June 30, 2022 runs through fiscal year 2036. Short term unearned income includes summer school general fees and housing deposits not earned during the current year.

Deferred Outflows And Inflows Of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period or periods and so will not be recognized as an outflow of resources until that time. At June 30, 2023, the University's deferred outflows of resources related to System Facilities consist of deferred amounts on refunding of bonds payable, which results from the difference between the reacquisition price of refunded debt and its carrying value. This amount is deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflows of resources consist of the acquisition of net assets that is applicable to a future reporting period or periods and so will not be recognized as an inflow of resources until then. Deferred inflows include payments to be received under leasing transactions where the University is the lessor; these will be recorded as revenue in future years.

Bond Premiums And Discounts

Premiums and discounts on bonds payable are amortized over the life of the bond based on a method that approximates the effective interest rate method. For the year ended June 30, 2023, amortization related to bond premiums and bond discounts was $1,052,364 and $698 respectively.

Amortization

The deferred amount on refunding is amortized as interest on capital related debt using the bonds outstanding method.

Estimates And Assumptions

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

3. Deposits

Custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The University's deposit policy for custodial credit risk requires compliance with the provisions of state law.

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

At June 30, 2023, none of the System Facilities' bank balances held by the current depository, a United States financial institution having a branch in the state of Missouri, was exposed to custodial credit risk. All of these deposits were fully collateralized as of June 30, 2023.

Foreign Currency Risk. The risk related to adverse effects on the fair value of a deposit from changes in exchange rates. At June 30, 2023, the System Facilities had no exposure to foreign currency risk as the University had no deposits held by international banks.

4. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance - June 30, 2022	Additions	Retirements And Transfers	Balance - June 30, 2023
Capital assets, not being depreciated:				
Land	$ —	$ —	$ —	$ —
Construction in progress	250,133	1,949,910	(1,602,907)	597,136
Total capital assets not being depreciated	250,133	1,949,910	(1,602,907)	597,136
Capital assets, being depreciated:				
Buildings and improvements	218,178,970	744	1,386,899	219,566,613
Infrastructure	19,623,748	—	—	19,623,748
Leasehold improvements	1,145,454	—	22,075	1,167,529
Total capital assets being depreciated	238,948,172	744	1,408,974	240,357,890
Less accumulated depreciation for:				
Buildings and improvements	(65,892,027)	(6,073,690)	42,488	(71,923,229)
Infrastructure	(5,500,882)	(412,165)	—	(5,913,047)
Leasehold improvements	(568,634)	(146,804)	(9,714)	(725,152)
Total accumulated depreciation	(71,961,543)	(6,632,659)	32,774	(78,561,428)
Total capital assets being depreciated, net	166,986,629	(6,631,915)	1,441,748	161,796,462
Capital assets, net	$ 167,236,762	$ (4,682,005)	$ (161,159)	$ 162,393,598
Lease intangible asset:				
Land	$ 121,776	$ —	$ (65,962)	$ 55,814
Total lease intangible asset	121,776	—	(65,962)	55,814
Less accumulated amortization for:				
Land	(24,356)	(12,178)	—	(36,534)
Total accumulated amortization	(24,356)	(12,178)	—	(36,534)
Total lease intangible asset, net	$ 97,420	$ (12,178)	$ (65,962)	$ 19,280

The estimated cost to complete construction in progress at June 30, 2023 is $1,271,450, which consists primarily of upgrades of existing student housing. These projects are being funded by Auxiliary funds.

5. Bonds Payable

	Amount Outstanding June 30, 2022	Principal Additions	Principal Payments	Amount Outstanding June 30, 2023
System Facilities Revenues Bonds Series 2016A	$ 11,535,000	$ —	$ 1,035,000	$ 10,500,000
System Facilities Revenues Bonds Series 2016B	7,850,000	—	225,000	7,625,000
System Facilities Revenues Bonds Series 2016C	25,025,000	—	365,000	24,660,000
System Facilities Revenues Bonds Series 2020	56,320,000	—	2,675,000	53,645,000
	100,730,000	—	4,300,000	96,430,000
Less: Current maturities (due within one year)				5,110,000
Add: Premium on bond payable				7,975,004
Less: Discount on bond payable				9,436
				$ 99,285,568

Series 2020 Bonds

On July 22, 2020, the Board of Regents issued $57,480,000 of System Facilities Refunding Revenue Bonds Series 2020 for the purpose of refunding Series 2013A System Facilities Revenue Bonds. The refunding decreased the University's total debt service payments by $5,025,667 and results in an economic gain (difference between the present value of the old and new debt service payments) of $4,916,683.

During 2020, the refunding of the Series 2013A bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $3,326,179. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2043 using the bonds outstanding method.

The Series 2020 bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2020 bonds maturing April 1, 2031 and thereafter may be called to redemption and payment prior to maturity on or after April 1, 2030 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity.

The Series 2020 bonds maturing April 1, 2040 and 2043 are subject to mandatory redemption and payment prior to maturity at the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, in accordance with the following schedule:

Series 2020 Bonds Maturing April 1, 2040

Years	Amount
2038-2040	$5,330,000

Series 2020 Bonds Maturing April 1, 2043

Years	Amount
2041-2043	$2,691,000

The Series 2020 bonds, collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 2.00% to 5.00% and mature serially through fiscal year 2043.

Series 2016 Bonds

On August 10, 2016, the Board of Regents issued $25,025,000 of System Facilities Revenue Bonds Series 2016C for the purpose of partially refunding Series 2011B System Facilities Revenue bonds. The partial refunding decreased the University's total debt service payments by $3,068,337 and results in an economic gain (difference between the present value of the old and new debt service payments) of $2,723,714.

During 2016, the advance refunding of the Series 2011B bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $1,767,433. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2042 using the bonds outstanding method.

The Series 2016C bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2016C bonds maturing April 1, 2025 and thereafter may be called to redemption and payment prior to maturity on or after April 1, 2024 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity.

The Series 2016C bonds maturing April 1, 2037, April 1, 2039 and April 1, 2042 are subject to mandatory redemption and payment prior to maturity at the principal amount thereof plus accrued interest thereon the date of redemption, without premium, in accordance with the following schedule:

Series 2016C Bonds Maturing April 1, 2037

Years	Amount
2036-2037	$2,840,000

Series 2016C Bonds Maturing April 1, 2039

Years	Amount
2038-2039	$3,005,000

Series 2016C Bonds Maturing April 1, 2042

Years	Amount
2040-2042	$4,850,000

The Series 2016C bonds, collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the Systems Facilities bear interest at rates varying from 2.00% to 4.00% and mature serially through fiscal year 2042.

On February 26, 2016, the Board of Regents issued $21,710,000 of System Facilities Revenue Bonds Series 2016A and $8,920,000 of Taxable System Facilities Revenue Bonds Series 2016B for the purpose of refunding of $23,555,000 System Facilities Revenue bonds Series 2011 and constructing, furnishing, and equipping a facility for Greek student housing and certain other expansions, renovations and improvements to System Facilities. The advanced refunding decreased the University's total debt service payments by $2,830,120 and results in an economic gain (difference between the present value of the old and new debt service payments) of $2,808,956.

During 2016, the advance refunding of the Series 2011 bonds resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $609,621. This difference, reported in the accompanying basic financial statements as a deferred outflow of resources, is being charged to operations through 2032 using the bonds outstanding method.

The Series 2016A and 2016B bonds shall pay interest semiannually on April 1 and October 1. At the option of the University, the Series 2016A bonds maturing April 1, 2026 and thereafter may be called to redemption prior to maturity on or after April 1, 2025 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity. The Series 2016B bonds maturing April 1, 2027 and thereafter, at the option of the University may be called to redemption prior to maturity on or after April 1, 2026 in lots of $5,000 at a redemption price of 100% of the principal amount together with accrued interest thereon to the date of maturity. The Series 2016B bonds maturing April 1, 2031, April 1, 2036 and April 1, 2045 are subject to mandatory redemption prior to maturity at the principal amount thereof plus accrued interest thereon to the date of redemption, without premium, in accordance with the following schedule:

Series 2016B Bonds Maturing April 1, 2031

Years	**Amount**
2027-2031	$1,350,000

Series 2016B Bonds Maturing April 1, 2036

Years	**Amount**
2032-2036	$1,625,000

Series 2016B Bonds Maturing April 1, 2045

Years	**Amount**
2037-2045	$3,935,000

The Series 2016A bonds, collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 3.00% to 5.00% and mature serially through fiscal year 2032. The Series 2016B bonds also collateralized by a pledge of the gross income and revenues derived from the ownership or operation of the System Facilities bear interest at rates varying from 1.375% to 4.37% and mature serially through 2045.

Interest expense was $3,271,655 for 2023.

Scheduled fiscal year maturities of System Facilities bonds payable and related interest expense are as follows:

Year	Principal	Interest
2024	$ 5,110,000	$ 3,761,665
2025	5,345,000	3,521,527
2026	5,585,000	3,279,877
2027	5,825,000	3,038,527
2028	6,075,000	2,796,127
2029-2033	28,590,000	10,209,898
2034-2038	24,270,000	5,590,913
2039-2043	14,620,000	1,746,536
2044-2046	1,010,000	66,643
	$ 96,430,000	$ 34,011,713

The Series 2016A, 2016B, 2016C, and 2020 Bonds are collateralized by the net income and revenues derived from the operation and/or ownership of the System Facilities. Under the provisions of the bond resolutions, the University covenants to operate and maintain the System Facilities and to establish and collect rates, fees and charges for the use and services furnished by or through the System Facilities to fund operations, pay principal and interest and establish the required reserves.

The bond resolution for the Series 2016A, 2016B, 2016C, and 2020 Bonds requires that all System Facilities revenues will be deposited as received into the System Facilities. Amounts are then to be transferred to and expended as follows:

First, accumulated in an amount sufficient to pay the current expenses, as defined in the bond resolution, of the System Facilities.

Second, transferred to the Bond Account, on or before each March 25 and September 25, in an amount sufficient to meet the principal and interest due on the next interest payment date.

Third, transferred to the Debt Service Reserve Account in amounts as may be necessary to maintain a debt service reserve in the amount of the Debt Service Reserve Requirement.

Fourth, to maintain a separate System Repair and Replacement Account to deposit sums as may be required to maintain a balance at the Repair and Replacement requirement.

Fifth, after the foregoing deposits, the System Facilities may use the balance of excess funds in the System Revenue Account for specific purposes defined in the bond resolution including transfer to unrestricted University funds.

6. Notes Payable

Notes payable at June 30, 2023 are summarized as follows:

	Balance - June 30, 2022	Principal Additions	Principal Payments	Balance - June 30, 2023
Chart well's-Olive's and Skylight Terrace Expansion	$ 169,976	$ —	$ (17,957)	$ 152,019
Less: Current maturities (due within one year)				18,227
				$ 133,792

On July 1, 2009, the University entered into an agreement with Chartwells, the University's contracted food service provider, for the construction of dining facilities in the new residence hall and expansion of the University Center to provide additional dining space. The University will make monthly principal payments totaling $577,870 through fiscal year 2031. The note is noninterest bearing. Interest has been imputed using a rate of 1.429%.

Interest expense was $2,414 for 2023. Scheduled fiscal year maturities on notes payable and related interest are as follows:

Year	Principal	Interest
2024	$ 18,227	$ 2,144
2025	18,500	1,870
2026	18,778	1,592
2027	19,060	1,310
2028	19,347	1,023
2029-2031	58,107	1,310
	$ 152,019	$ 9,249

7. Unearned Income

Over the life of the contract with the University's contracted food service provider, the University has entered into several agreements for the construction, expansion, and improvement of dining facilities across the campus. These investments are considered advances (unearned income) from Chartwells that are being amortized through fiscal year 2036.

Advances at June 30, 2022 are summarized as follows:

	Balance - June 30, 2022	Additions	Amortization	Balance - June 30, 2023
Original investment	$ 1,052,207	$ —	$ (75,608)	$ 976,599
2009 Investment	256,180	—	(18,408)	237,772
2012 Investment	990,369	—	(71,164)	919,205
2013 Investment	302,355	—	(21,726)	280,629
2015 Investment	3,202,095	—	(230,091)	2,972,004
2018 Investment	697,837	—	(50,144)	647,693
2020 Investment	—	617,106	(37,419)	579,687
Follet - Bookstore	—	307,857	(5,131)	302,726
	$ 6,501,043	$ 924,963	$ (509,691)	6,916,315
Less: Current maturities (within one year)				542,829
				$ 6,373,486

8. Retirement Plan

Substantially all full-time System Facilities employees are participants in the statewide Missouri State Employees' Retirement System (MOSERS).

Plan description. Benefit eligible employees of the University are provided with pensions through MOSERS - a cost-sharing multiple-employer defined benefit pension plan. Chapter 104.320 of the Revised Statutes of Missouri grants the authority to establish a defined benefit plan for eligible state and other related agency employees. MOSERS issues an annual Comprehensive Annual Financial Report (CAFR), a publicly available financial report that can be obtained at www.mosers.org.

Benefits provided. MOSERS provides retirement, disability, and life insurance benefits to eligible employees. The base retirement benefits are calculated by multiplying the employee's final average pay by a specific factor multiplied by the years of credited service. The factor is based on the specific plan in which the employee participates, which is based on the employee's hire date. Information on the three plans administered by MOSERS (MSEP, MSEP 2000 and MSEP2011 retirement plans) and how eligibility and the benefit amount is determined for each plan may be found in the Notes to the Financial Statements of MOSERS' CAFR.

Contributions. Per Chapter 104.436 of the Revised Statutes of Missouri, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP2011 Plan are required to contribute 4% of their annual pay. The University's required contribution rate for the year ended June 30, 2023, was 26.33% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, 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 contribution rate for the MOSERS plan year ended June 30, 2022 was 23.51%, which is the year of measurement for the net pension liability. The contributions to the pension plan from the University were $10,542,982 for the year ended June 30, 2023.

Pension Liabilities. At June 30, 2023, the University reported a liability of $144,883,819 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The University's proportion of the net pension liability was based on the University's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for MOSERS plan year ended June 30, 2022. At June 30, 2022, the University's proportion was 2.02335%, an increase from its proportion measured using 2.00802% as of the June 30, 2021 measurement date. For the year ended June 30, 2023, the University recognized pension expense of $14,604,812.

The System Facilities does not report a net pension liability as this is a liability of the University as a whole, not of the System Facilities entity, as established by the terms of the bond resolution. For more information, see the separately issued financial statements of Southeast Missouri State University as of June 30, 2023.

9. Postemployment Healthcare

The University provides a one-time opportunity for retirees to continue medical insurance coverage until age 65. Retirees after October 22, 2010 who elect to continue medical insurance are required to pay monthly premiums determined by plan type elected and Medicare eligibility. Financial statements for the plan are not available.

The University pays for their portion of the medical insurance premiums on a pay-as-you-go basis. For the year ended June 30, 2023, the University paid benefits of $157,914. No trust fund has been created for the payment of the University's portion of the medical insurance premiums; therefore, as of June 30, 2023 the University's obligations are unfunded.

The Systems Facilities does not report a net postemployment benefit liability as this is a liability of the University as a whole, not of the System Facilities entity, as established by the terms of the bond resolution. For more information, see the separately issued financial statements of Southeast Missouri State University as of June 30, 2023.

10. Contingencies And Risk Management

The System Facilities is subject to various legal proceedings and claims which arise in the ordinary course of its operations. In the opinion of the University management, the amount of ultimate liability with respect to these actions will not materially affect the overall financial position of the System Facilities.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the System Facilities' financial position.

System Facilities employees are covered under Worker's Compensation by the State of Missouri. Claims are submitted to the State and paid by the State on behalf of the University. Total claims paid for the University employees for fiscal year 2022-2023 were $190,058.

The majority of System Facilities employees are also covered by unemployment insurance administered by the State of Missouri Division of Employment Security.

The System Facilities is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health and accident benefits. The University purchases commercial insurance and also receives coverage through the State of Missouri for these risks of loss. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

The System Facilities has purchased property on occasion that requires monitoring for environmental issues that could result in liability. As of June 30, 2023, the System Facilities is not aware of any environmental liability.

Effective January 1, 2020, the University established a self-insured medical program covering substantially all System Facilities employees. The University's liability has been limited by the purchase of specific ($250,000 individual deductible limit in calendar year 2021) and aggregate ($1,000,000 deductible in calendar year 2021) reinsurance. The University has recorded a liability for expenses incurred but not reported of $665,052 as of June 30, 2023.

The liability reported for claims incurred but not reported are based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information obtained prior to the issuance of the financial statements indicates it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. Changes in the balance of the insurance reserve liability during the year ended June 30, 2023 were as follows:

Liability, June 30, 2022	$ 1,297,616
Current year claims and changes in estimates	7,726,368
Claim payments	(8,358,932)
Liability, June 30, 2023	$ 665,052

The System Facilities does not report accrued claims liability as this is a liability of the University as a whole, not of the System Facilities entity. For more information, see the separately issued financial statements of Southeast Missouri State University as of June 30, 2023.

11. Leases

Lessee

For arrangements where System Facilities is the lessee, a lease liability and a right to use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent System Facilities' right to use an underlying asset for the lease term and lease liabilities represent System Facilities' obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term.

System Facilities uses the implicit rate in the lease to calculate the present value of the lease payments if available. Otherwise, System Facilities' incremental borrowing rate at the date the agreement is entered into is used. System Facilities includes lease extension and termination options in the lease term if, after considering other economic factors, it is reasonably certain the University will exercise the option. The University has not recognized RTU assets and lease liabilities for leases with terms for 12 months or less.

The University has entered into a contract as lessee for land. The lease contracts expire at various dates through 2025. The right to use the leased assets are intangible assets and are further disclosed in the capital asset footnote disclosure at Note 4.

During 2023, the University had the following activity under contracts where it is the lessee:

	Balance - June 30, 2022	Principal Additions	Principal Payments	Balance - June 30, 2023
Lease payable	$ 32,238	$ —	$ (12,412)	$ 19,826

The following represents the future minimum lease payments required under the lease arrangements as of June 30, 2022:

Year	Principal	Interest
2024	$ 12,496	$ 96
2025	7,330	17
	$ 19,826	$ 113

Lessor

For arrangements where the University is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the term. The deferred inflows of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

The University has entered into contracts as lessor for land and buildings. The lease contracts expire at various dates through 2024. The following represents the future minimum lease revenue under the lease arrangements as of June 30, 2022 (which is recorded as part of accounts receivable on the financial statements):

Year	Principal	Interest
2024	$ 207,752	$ 7,299
2025	7,569	273
	$ 215,321	$ 7,572

12. Net Position

Restricted - In accordance with GASB Statement No. 34, net position is restricted when constraints placed are either externally imposed, or are imposed by law or legislation. There was no restricted net position - expendable for debt service at June 30, 2023.

Unrestricted - Unrestricted net position, as defined in GASB Statement No. 34, is not subject to externally imposed stipulations; however, it is subject to internal designations. For example, unrestricted net position may be designated for specific purposes by action of the Board of Governors or may otherwise be limited by contractual agreements with outside parties. At June 30, 2023, the entire $8,842,046 balance of unrestricted net position was undesignated.

Supplementary Information

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES
SCHEDULE OF INSURANCE COVERAGE
(UNAUDITED)
June 30, 2023

Coverage And Insurer	Policy Expiration Date		Amount Of Coverage
Fire and extended coverage (building, contents and loss of income)			
Marsh USA	6/30/2023	$	1,045,317,788

Subsequent to June 30, 2023, the University contracted with Smith McGegee Insurance Solutions to provide insurance through June 30, 2024 with $1,151,750,120 in coverage provided. The University also has statutory liability protection through the State of Missouri's Legal Expense Fund.

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES

SCHEDULE OF ENROLLMENT AND FEES
(UNAUDITED)
June 30, 2023

	Fall Semester 2022	Spring Semester 2023	Summer Semester 2023
Enrollment - Full-Time Equivalent (FTE)			
Students on campus and off campus	7,747	6,959	2,501
Student Recreation Center Fee/Aquatic Center Fee			
Per credit hour	$ 9.80	$ 9.80	$ 9.80
Per FTE student*	$ 147.00	$ 147.00	$ 58.80

* Average fee based on 15 credit hours of enrollment during the Fall and Spring semesters and 6 credit hours during the summer session.

Room And Board Rates (Annual):**

	Fall Semester 2022/Spring Semester 2023
Vandiver Hall	$ 9,210 - $10,720
Towers Complex - West/North	$ 9,110 - $10,620
Towers Complex - West/North doubles with Private Bath	$10,110 - $11,620
Towers Complex - East/South doubles	$7,560 - $9,070
Towers East/South singles	$9,110 - $10,260 *
Group Housing	$8,010 - $9,520
Group Housing singles	$9,110 - $10,260 *
Myers Hall	$ 8,910 - $10,420
Merick Hall	$9,210 - $10,720
LaFerla Hall	$9,210 - $10,720
Dobbins River Campus Center	$9,510 - $11,020

Based primarily on double-occupancy. Ranges attributable primarily to meal plan options available to

* Private rooms

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES
SCHEDULE OF ROOM AND BOARD COSTS - FIVE-YEAR TREND
(UNAUDITED)
June 30, 2023

	2019	2020	2021	2022	2023
Vandiver Hall	$8,654 - $9,766	$8,918 - $10,036	$ 8,976 - $10,120	$ 9,280 - $10,410	$ 9,210 - $10,720
Towers Complex - West/North	$8,654 - $9,766	$8,918 - $10,036	$ 8,976 - $10,120	$ 9,280 - $10,410	$ 9,110 - $10,620
Towers Complex - West/North doubles with Private Bath	n/a	n/a	$9,976 - $11,120	$10,340 - $11,410	$10,110 - $11,620
Towers Complex - East/South doubles	$7,134 - $8,246	$7,338 - $8,456	$7,496 - $8,640	$7,890 - $8,960	$7,560 - $9,070
Towers East/South singles	n/a	n/a	$9,496 - $10,640	$9,390 - $10,460	$9,110 - $10,260
Group Housing	$7,624 - $8,736	$7,848 - $8,966	$8,076 - $9,220	$8,330 - $9,510	$8,010 - $9,520
Group Housing singles	n/a	n/a	n/a	n/a	$9,110 - $10,260
Myers Hall	$8,654 - $9,766	$8,918 - $10,036	$ 8,976 - $10,120	$ 9,230 - $10,410	$ 8,910 - $10,420
Merick Hall	$8,814 - $9,926	$9,086 - $10,204	$9,144 - $10,288	$9,430 - $10,610	$9,210 - $10,720
LaFerla Hall	$8,814 - $9,926	$9,086 - $10,204	$9,144 - $10,288	$9,430 - $10,610	$9,210 - $10,720

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES
SCHEDULE OF STUDENT COMPOSITION - UNIVERSITY HOUSING SYSTEM
(UNAUDITED)
June 30, 2023

Fiscal Year	Freshmen	Sophomores	Juniors	Seniors	Other	Total
2019	1,301	782	304	205	10	2,994
2020	1,294	605	372	214	5	2,602
2021	1,097	588	229	202	6	2,490
2022	1,168	596	275	182	5	2,226
2023	995	499	308	163	3	1,968

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES
SCHEDULE OF HOUSING OCCUPANCY
(UNAUDITED)
June 30, 2023

Housing System Facility	(1) Housing Capacity	(2) Average Occupancy (#)	(3) Simple Average Occupancy (%)	(4) Effective Average Occupancy (%)
Vandiver Hall	290	198	68.3%	73.6%
Towers Complex	1,117	946	84.7%	85.5%
Group Housing	247	191	77.3%	77.3%
Myers Hall	164	116	70.7%	73.8%
Merick Hall	295	243	82.4%	85.1%
LaFerla Hall	250	188	75.2%	77.6%
Dobbins River Campus Center	178	165	92.7%	92.7%
	2,541	2,047	80.6%	82.4%

(1) The average number of available beds.
(2) The average number of occupied beds.
(3) Column (2) divided by column (1)
(4) Column (3) adjusted for private-room contracts purchased, i.e., double-occupancy rooms converted to single-occupancy.

SOUTHEAST MISSOURI STATE UNIVERSITY
SYSTEM FACILITIES

SCHEDULE OF UNIVERSITY RESIDENCE HALL CAPACITIES
(UNAUDITED)
June 30, 2023

Housing System Facility	Housing Capacity	Dining Facilities	Year Constructed
Vandiver Hall	290	No	2002
Towers Complex	1,117	Yes	1967
Group Housing	247	No	1963
Myers Hall	164	No	1948
Merick Hall	295	Yes	2009
LaFerla Hall	250	No	2013
Dobbins River Campus Center	178	Yes	2014
	2,541		

SOUTHEAST MISSOURI STATE UNIVERSITY

SINGLE AUDIT REPORT

JUNE 30, 2023

Contents

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*

Board of Governors
Southeast Missouri State University
Cape Girardeau, Missouri

We have audited, in accordance with the 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 Southeast Missouri State University, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Southeast Missouri State University's basic financial statements, and have issued our report thereon dated January 23, 2024.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Southeast Missouri State University's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report on 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*.

University's Response To Finding

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose Of This Report

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

RubinBrown LLP

January 23, 2024

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report On Compliance For Each Major Federal Program; Report On Internal Control Over Compliance; And Report On The Schedule Of Expenditures Of Federal Awards Required By Uniform Guidance

Board of Governors
Southeast Missouri State University
Cape Girardeau, Missouri

Report On Compliance For Each Major Federal Program

Opinion On Each Major Federal Program

We have audited Southeast Missouri State University's (the University) compliance with the types of compliance requirements identified as subject to audit 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, 2023. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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, 2023.

Basis For Opinion On Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards)*; 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities For The Audit Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Responsibilities Of Management For Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditors' Responsibilities For The Audit Of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures including examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report On Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities For The Audit Of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weakness or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002, 2023-003 and 2023-004 to be material weaknesses.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the University's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Report On Schedule Of Expenditures Of Federal Awards Required By Uniform Guidance

We have audited the financial statements of the business-type activities and discretely presented component unit of the University as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We have issued our report thereon dated January 23, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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.

RubinBrown LLP

February 12, 2024

SOUTHEAST MISSOURI STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor	Program Or Cluster Title	Grant Number	Federal Assistance Listing Number	Federal Expenditures	Expenditures To Sub-Recipients
United States Department of Agriculture					
Passed through Arkansas State University	Capacity Building for Non-Land Grant Colleges of Agriculture - Resilient Cropping year 1 FY18	2018-70001-27817	10.326	$ 1,210	$ —
Passed through Arkansas State University	Rural Business Development - 23 USDA Beef Project	N/A	10.351	36,973	
Passed through Missouri Department of Health and Senior Services	Child and Adult Care Food Program:				
	USYC Food Program	ERS4611-2646	10.558	77,335	—
Passed through Natural Resources Conservation Services	Soil and Water Conservation - BMP for Water Quality 19	NR186424XXXXG012	10.902	2,852	—
Total United States Department of Agriculture				118,370	—
Department of Interior					
Direct	Natural Resource Damage Assessment and Restoration - FWS Lead Project	N/A	15.658	4,462	—
Federal Transit Administration					
	Federal Transit Cluster:				
Passed through Cape Girardeau County Transit Authority	COVID-19 - Shuttle Service	N/A	20.507	148,211	—
Department of Treasury					
Passed through State of Missouri	COVID-19 - State and Local Fiscal Recovery Funds	N/A	21.027	10,670,192	
National Aeronautics and Space Administration					
Passed through University of Missouri Columbia	Office of STEM Engagement - NASA MO Space Grant Consortium	80NSSC20M0100	43.008	9,794	—
National Endowment for the Humanities					
Direct	Promotion of the Humanities - Faulkner and Ward Conference	N/A	45.129	2,014	—
	Promotion of the Humanities Teaching - NEH Digital Age	N/A	45.162	19,688	—
				21,702	—
National Science Foundation					
Direct	Research and Development Cluster:				
	Engineering - TesLumen 2021	2040086	47.041	4,817	—

SOUTHEAST MISSOURI STATE UNIVERSITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (*Continued*)
For The Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor	Program Or Cluster Title	Grant Number	Federal Assistance Listing Number	Federal Expenditures	Expenditures To Sub-Recipients
Small Business Administration					
	Small Business Development Centers:				
Passed through University of Missouri - Columbia	SBDC 2022	C00063534-1	59.037	$ 43,969	$ —
	SBDC 2023	C00063534-1	59.037	47,277	—
Total Small Business Administration				91,246	—
United States Department of Education					
Direct	Student Financial Aid Cluster:				
	Federal Supplemental Educational Opportunity Grant Program	P007A192382	84.007	393,277	—
	Federal Work Study Program	P033A202382	84.033	182,019	—
	Federal Perkins Loan Program	N/A	84.038	1,724,572	—
	Federal Pell Grant Program FY22	P063P181752	84.063	(1,510)	—
	Federal Pell Grant Program FY23	P063P181752	84.063	13,291,819	—
	Total 84.063			13,290,309	—
	Federal Direct Loan Program FY22	P268K191752	84.268	218,750	—
	Federal Direct Loan Program FY23	P268K201752	84.268	29,207,938	—
	Total 84.268			29,426,688	—
	Transition to Teaching (TEACH) FY22	P379T201752	84.379	12,720	—
	Total Student Financial Aid Cluster			45,029,585	—
Direct	Fund for the Improvement of Postsecondary Education - Technology Equipment	N/A	84.116	25,154	
Direct	Higher Education Intuitional Aid - Title III	N/A	84.031A	515,504	—
Direct	Trio Cluster:				
	Student Support Services 2021 - 2026	P042A200914	84.042	367,451	—
	Student Support Services Supplement 2021 - 2026	P042A200914	84.042	30,200	—
	Total 84.042			397,651	—
	McNair Post-Baccalaureate Achievement	P217A170269-18	84.217	166,721	—
	McNair Post-Baccalaureate Achievement - Participation Costs	P217A170269-18	84.217	39,894	—
	Total 84.217			206,615	—
	Total Trio Cluster			604,266	—
Direct	COVID-19 - Child Care Access Means Parents In Schools - CCAMPIS Redhawk FLT :	N/A	84.335A	157,311	—

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (*Continued*)
For The Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor	Program Or Cluster Title	Grant Number	Federal Assistance Listing Number	Federal Expenditures	Expenditures To Sub-Recipients
	Education Stabilization Fund:				
Direct	COVID-19 - Higher Education Emergency Relief Fund - Teacher Recruitment FY22	N/A	84.425D	$ 18,353	$ —
Direct	COVID-19 - Higher Education Emergency Relief Fund - Student	N/A	84.425E	(53,379)	—
Direct	COVID-19 - Higher Education Emergency Relief Fund - Institution	N/A	84.425F	44,013	—
Direct	COVID-19 - Higher Education Emergency Relief Fund - Institution	N/A	84.425F	1,492,489	—
Direct	COVID-19 - Higher Education Emergency Relief Fund - Strengthening Institutions	N/A	84.425M	91,295	—
				1,592,771	—
Total United States Department of Education				47,924,591	—
United States Department of Health and Human Services	Environmental Public Health and Emergency Response -				
Direct	Addressing Asthma 2021	DH100020001	93.070	9,432	—
	Addressing Asthma 2022	DH210048880-01	93.070	19,378	—
				28,810	—
Passed through Missouri Department of Health and Senior Services	The National Cardiovascular Health Program - Community Health Worker Year 6	AOC19380216	93.426	25,695	—
Passed through Missouri Department of Mental Health	Block Grants for Prevention and Treatment of Substance Abuse:				
	Southeast Regional Support Center Tobacco	N/A	93.959	8,019	—
	PRC Supplemental Funding	N/A	93.959	107,562	—
	PRC C2000	N/A	93.959	182,231	—
	PRC MHFA	N/A	93.959	6,210	—
	Coalition Support	N/A	93.959	5,400	—
	Coalition Mini Grants	N/A	93.959	5,000	—
	MHFA Training	N/A	93.959	261	—
				314,683	—
Total United States Department of Health and Human Services				369,188	—
Total Expenditures of Federal Awards				$ 59,362,573	$ —

See the notes to schedule of expenditures of federal awards.

1. Basis Of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) presents the activity of all federal awards programs of Southeast Missouri State University (the University) for the year ended June 30, 2023. The information in this Schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

2. Basis Of Accounting And Relationship To The Financial Statements

Federal financial assistance revenues from the Federal Work Study, the Federal Pell Grant Program and the Federal Supplemental Educational Opportunity Grant programs are reported in the University's financial statements as federal grant revenues. The activity of the Federal Direct Loan Program is not included in the University's financial statements, as the benefits of this program are awarded directly to students and not to the University.

Amounts reported in the accompanying Schedule are presented using the accrual basis of accounting, which is described in Note 2 to the University's financial statements. Related federal financial reports are prepared on the cash basis of accounting.

3. Loan Programs

The following schedule represents loans advanced by the University for Federal Direct Loans and loans advanced plus loans outstanding as of the beginning of the year for Federal Perkins Loans, for the year ended June 30, 2023:

	AL #	Amount Reported On SEFA
Student Financial Aid:		
Department of Education:		
Federal Direct Loans	84.268	$ 29,426,688
Federal Perkins Loans	84.038	1,724,572

The above amounts are included as federal expenditures in the Schedule.

4. Indirect Costs

The Department of Health and Human Services has approved a maximum provisional indirect cost rate of 51%. The University recovers indirect costs at the maximum rate of 49% of salaries and wages including fringe benefits under federal programs that allow full indirect cost reimbursement, and recovers indirect costs at varying rates below 51% on other federal programs that do not follow full indirect cost recovery. Total indirect costs recovered under all federal programs were $248,529 for the year ended June 30, 2023.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended June 30, 2023

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were presented in accordance with generally accepted accounting principles:	Unmodified Opinion
Internal control over financial reporting:	
• Material weakness(es) identified?	X yes ___ no
• Significant deficiency(s) identified?	___ yes X none reported
Noncompliance material to financial statements noted?	___ yes X no

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	X yes ___ no
• Significant deficiency(s) identified?	___ yes X none reported
Type of auditors' report issued on compliance for major programs:	Unmodified Opinion
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	___ yes X no

Identification Of Major Programs:

AL #21.027 – U.S. Department of Treasury – COVID-19 – State and Local Fiscal Recovery Funds

Student Financial Aid Cluster:

AL #84.007 - U.S. Department of Education - Federal Supplemental Educational Opportunity Grant Program
AL #84.033 - U.S. Department of Education - Federal Work Study Program
AL #84.063 - U.S. Department of Education - Federal Pell Grant Program
AL #84.268 - U.S. Department of Education - Federal Direct Loan Program
AL #84.038 - U.S. Department of Education - Federal Perkins Loan Program
AL #84.379 - U.S. Department of Education - Teacher Assistance for College and Higher Education Grants

AL #84.031 – U.S Department of Education – Higher Education Institutional Aid – Title III
AL #84.425 - U.S. Department of Education - Higher Education Emergency Relief Fund

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	___ Yes X no

Section II - Financial Statement Finding

Finding 2023-001 Valuation of Textbook Inventory and Library Books

Material Weakness

Criteria Or Specific Requirement: Pursuant to the Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards, the University should record inventory at cost, and should record capital items at cost minus accumulated depreciation.

Condition: During 2023, the University identified the following errors in the manner in which it had been recording textbook inventory and library books:

- The University had been amortizing the cost of textbook inventory over a three-year period. The University should have been recording textbook inventory at cost provided that it was still deemed to be sellable.
- The University had been recording library books (a capital asset) as a single asset within its accounting record instead of tracking the cost of individual books. When the University performed a complete inventory of all books during 2023, the University determined that the cost of library books had been overstated.

Context: The University recorded a restatement to net position as of July 1, 2021 of $2,571,780 to increase the book value of textbook inventory. The University also recorded a restatement to net position as of July 1, 2021 of $3,224,853 to decrease the book value of library books. Further restatements to the fiscal year 2022 financial statements were also made.

Effect: The University's fiscal year 2022 and prior years financial statements were misstated relative to textbook inventory and library books, and a restatement was required.

Cause: The University did not properly account for textbook inventory in accordance with GASB requirements. The University also did not track library book cost by individual book.

Section II – Financial Statement Finding *(Continued)*

Recommendation: We recommend the University report textbook inventory at cost going forward, provided that the inventory is still deemed to be sellable. We recommend that University maintain accurate textbook inventory records, which are reconciled to the general ledger regularly, and that obsolete inventory is written off in a timely fashion. We also recommend that the University continue to track the cost of library books by individual book, and those additions to and deletions from the University's library book collection are recorded within the general ledger and fixed asset records in a timely fashion.

Views Of Responsible Officials And Planned Corrective Action: Upon identifying the historic misstatements of textbook and library book inventory, Controller's Office staff, in conjunction with the University's consultants, updated the relevant inventory valuation and depreciation methods in order to restate fiscal year 2022 and to provide correct values for the University's fiscal year 2023 financial statements. The updated methods have been documented and shared with Textbook Rental staff and Library staff for use going forward. The Controller's Office will monitor the information provided by these units and ensure that correct inventory and depreciation values are used for future years' financial statements.

Section III - Federal Award Findings And Questioned Costs

Finding 2023-002 - Material Weakness: Cash Management and Reporting – Control Finding

ALN 84.031 - Higher Education Institutional Aid – Title III

Federal Agency: U.S. Department of Education

Pass-Through Entity: None

Criteria Or Specific Requirement: Uniform Guidance requires that controls over compliance be properly designed, in place and operating effectively to ensure compliance with the requirements of the federal programs.

Section III – Federal Award Findings And Questioned Costs *(Continued)*

Condition: Based on the testing completed for cash management and reporting, the University did not provide documentation of a review of cash drawdowns and financial reimbursement reports to verify that the correct amount of funds are requested.

Cause: Controls over compliance put in place by management were not operating effectively as it relates to these compliance requirements.

Effect: The possibility exists that noncompliance with federal requirements could go undetected without proper controls over compliance.

Questioned Costs: Not applicable.

Context: During testing performed for cash management and reporting, we noted both of the two reimbursement requests and financial reimbursement reports selected for testwork were completed and drawn down without a review by a second individual. Statistical sampling was not used to test this compliance requirement.

Identification As A Repeat Finding: Not applicable.

Recommendation: We recommend that management implement a review of the cash drawdown requests. The review should be properly documented with the reviewer's signature and the date the review was performed. The review should be performed by someone other than the preparer and who has knowledge of the grant's requirements.

Views Of Responsible Officials And Planned Corrective Action: Although the appropriate controls were in place, the gap noted in the finding was created by a severe staffing shortage in the University Controller's Office rendered proper segregation of duties and secondary reviews a practical impossibility. The staffing situation has since been remediated, both in the short-term via outsourcing and in the longer term via the hiring of a Controller and a complement of four accountants. The controls are once again functioning as intended, and the Controller will have ongoing oversight for ensuring that remains the case.

Section III – Federal Award Findings And Questioned Costs *(Continued)*

Finding 2023-003 - Material Weakness: Cash Management – Control Finding

ALN 84.425 - Higher Education Emergency Relief Fund

Federal Agency: U.S. Department of Education

Pass-Through Entity: None

Criteria Or Specific Requirement: Uniform Guidance requires that controls over compliance be properly designed, in place and operating effectively to ensure compliance with the requirements of the federal programs.

Condition: Based on the testing completed for cash management, the University did not provide documentation of a review of cash drawdowns to verify that the correct amount of funds are requested.

Cause: Controls over compliance put in place by management were not operating effectively as it relates to these compliance requirements.

Effect: The possibility exists that noncompliance with federal requirements could go undetected without proper controls over compliance.

Questioned Costs: Not applicable.

Context: During testing performed for cash management, we noted all of the three reimbursement requests selected for testwork were completed and drawn down without a review by a second individual. Statistical sampling was not used to test this compliance requirement.

Identification As A Repeat Finding: Not applicable.

Recommendation: We recommend that management implement a review of the cash drawdown requests. The review should be properly documented with the reviewer's signature and the date the review was performed. The review should be performed by someone other than the preparer and who has knowledge of the grant's requirements.

Section III – Federal Award Findings And Questioned Costs (*Continued*)

Views Of Responsible Officials And Planned Corrective Action: Although the appropriate controls were in place, the gap noted in the finding was created by a severe staffing shortage in the University Controller's Office rendered proper segregation of duties and secondary reviews a practical impossibility. The staffing situation has since been remediated, both in the short-term via outsourcing and in the longer term via the hiring of a Controller and a complement of four accountants. The controls are once again functioning as intended, and the Controller will have ongoing oversight for ensuring that remains the case.

Finding 2023-004 - Material Weakness: Allowable Costs & Activities - Compliance and Control Finding

ALN 84.031 - Higher Education Institutional Aid - Title III

Federal Agency: U.S. Department of Education

Pass-Through Entity: None

Criteria Or Specific Requirement: Uniform Guidance requires that controls over compliance be properly designed, in place and operating effectively to ensure compliance with the requirements of the federal programs.

Condition: Based on the testing completed for allowable costs and activities, the University did not provide documentation of a review of time and effort certifications for employees who charge time to the grant.

Cause: Controls over compliance put in place by management were not operating effectively as it relates to these compliance requirements.

Effect: The possibility exists that noncompliance with federal requirements could go undetected without proper controls over compliance.

Questioned Costs: Not applicable.

Context: During testing performed for allowable costs and activities, for the 16 certifications selected for testwork, we noted the University did not provide documentation of a second review of the time and effort certifications for employees who charge time to the grant. Statistical sampling was not used to test this compliance requirement.

Section III – Federal Award Findings And Questioned Costs *(Continued)*

Identification As A Repeat Finding: Not applicable.

Recommendation: We recommend that management put a control in place for a review of the of the time and effort certifications. The review should be properly documented with the reviewer's signature and the date the review was performed. The review should be performed by someone other than the preparer and who has knowledge of the grant's requirements.

Views Of Responsible Officials And Planned Corrective Action: The Controller's Office will pull time and effort reports from Banner at the time of sponsor invoicing and not less than quarterly. The reports will be sent first to those employees charging time to grants for their review and certification (by signature). The reports will then be sent to each employee's immediate supervisor for review and certification (by signature). If the immediate supervisor is not the principal investigator or project director, the PI/PD will also be required to review and certify the report (by signature). Certified reports must be returned to the Controller's Office where they will be reviewed for any change that may need to be made by the Grants Accounting staff via labor redistributions. Once any necessary change has been made, the certified reports will be filed in the Controller's Office and, if required, submitted with the invoice to the sponsor.

SOUTHEAST MISSOURI STATE UNIVERSITY · 1873

CORRECTIVE ACTION PLAN

Finding 2023-001
Personnel Responsible For Corrective Action: Brad Sheriff, View President for Finance and Administration

Anticipated Completion Date: June 30, 2024

Correction Action Plan: Upon identifying the historic misstatements of textbook and library book inventory, Controller's Office staff, in conjunction with the University's consultants, updated the relevant inventory valuation and depreciation methods in order to restate fiscal year 2022 and to provide correct values for the University's fiscal year 2023 financial statements. The updated methods have been documented and shared with Textbook Rental staff and Library staff for use going forward. The Controller's Office will monitor the information provided by these units and ensure that correct inventory and depreciation values are used for future years' financial statements.

Finding 2023-002
Personnel Responsible For Corrective Action: Brad Sheriff, View President for Finance and Administration

Anticipated Completion Date: June 30, 2024

Correction Action Plan: Although the appropriate controls were in place, the gap noted in the finding was created by a severe staffing shortage in the University Controller's Office rendered proper segregation of duties and secondary reviews a practical impossibility. The staffing situation has since been remediated, both in the short-term via outsourcing and in the longer term via the hiring of a Controller and a complement of four accountants. The controls are once again functioning as intended, and the Controller will have ongoing oversight for ensuring that remains the case.

SOUTHEAST MISSOURI STATE UNIVERSITY · 1873

CORRECTIVE ACTION PLAN (*Continued*)

Finding 2023-003
Personnel Responsible For Corrective Action: Brad Sheriff, View President for Finance and Administration

Anticipated Completion Date: June 30, 2024

Correction Action Plan: Although the appropriate controls were in place, the gap noted in the finding was created by a severe staffing shortage in the University Controller's Office rendered proper segregation of duties and secondary reviews a practical impossibility. The staffing situation has since been remediated, both in the short-term via outsourcing and in the longer term via the hiring of a Controller and a complement of four accountants. The controls are once again functioning as intended, and the Controller will have ongoing oversight for ensuring that remains the case.

Finding 2023-004
Personnel Responsible For Corrective Action: Brad Sheriff, View President for Finance and Administration

Anticipated Completion Date: June 30, 2024

Correction Action Plan: The Controller's Office will pull time and effort reports from Banner at the time of sponsor invoicing and not less than quarterly. The reports will be sent first to those employees charging time to grants for their review and certification (by signature). The reports will then be sent to each employee's immediate supervisor for review and certification (by signature). If the immediate supervisor is not the principal investigator or project director, the PI/PD will also be required to review and certify the report (by signature). Certified reports must be returned to the Controller's Office where they will be reviewed for any change that may need to be made by the Grants Accounting staff via labor redistributions. Once any necessary change has been made, the certified reports will be filed in the Controller's Office and, if required, submitted with the invoice to the sponsor.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For The Year Ended June 30, 2023

Finding No. **2022-001**

Program/Type: **Material Weakness**

Condition: During 2022, the University identified a significant number of capital assets that should have been recorded as capital asset disposals in prior years but had not been. These included assets that had been disposed of but where the disposal had not been recorded, assets whose useful life had been exceeded, and assets that should not have been capitalized as their value was less than the University's capital asset threshold.

Status: Corrective action was taken.

Finding No. **2022-002**

Program/Type: **Material Weakness**

Condition: During 2022, the University determined that several payments received in subsequent years from the University's contracted food service provider should have been recorded as unearned revenue and amortized over the life of the contract with the provider. These payments had been recorded as revenue when received.

Status: Corrective action was taken.

Finding No. **2022-003**

Program/Type: **Significant Deficiency**

Condition: During our audit procedures, we identified several instances where University accounting staff had recorded journal entries without a second person reviewing and approving the entries.

Status: Corrective action was taken.

SOUTHEAST MISSOURI
STATE UNIVERSITY · 1873

BOARD OF GOVERNORS

REPORT ITEM

February 23, 2024

Open Session

INTERCOLLEGIATE ATHLETICS DEPARTMENT PROCEDURES FOR YEAR ENDING JUNE 30, 2023

The attached Independent Accountants' Report on Agreed-Upon Procedures for the University Intercollegiate Athletics Department was compiled by RubinBrown, LLP at the request of the University solely to assist the University in complying with NCAA Constitution 3.2.4.15.

The Statement of Revenues and Expenses for Intercollegiate Athletics has been prepared using the reporting definitions required by the NCAA and includes the operations of the Intercollegiate Athletics department, revenues and expenses related to various sports camps, and athletic expenses paid directly by the Foundation. The review did not disclose any material findings which require action by the University.

Constitution 3.2.4.15 *Division I Requirement.* The report shall be subject to approved annual agreed-on verification procedures (in addition to any regular financial reporting policies and procedures of the institution) and conducted by a qualified independent accountant who is not a staff member of the institution and who is selected by the institution's president or by an institutional administrator from outside the athletics department designated by the president. The independent accountant shall verify the accuracy and completeness of the data prior to submission to the institution's president and the NCAA. The institution's president shall certify the financial report prior to submission to the NCAA.

SOUTHEAST MISSOURI STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLICATION OF
AGREED-UPON PROCEDURES
JUNE 30, 2023

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Accountants' Report On Applying Of Agreed-Upon Procedures

Management and the Board of Governors
Southeast Missouri State University
Cape Girardeau, Missouri

We have performed the procedures enumerated below, solely to assist Southeast Missouri State University (the University) in evaluating whether the accompanying University Intercollegiate Athletics Department Statement of Revenues and Expenses (the Statement) of the University is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.17 for the year ended June 30, 2023. The University's management is responsible for the aforementioned financial statement elements, accounts and items and the internal control over financial reporting and compliance.

The University has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the University in evaluating whether the Statement is in compliance with the National Collegiate Athletic Association (NCAA) Bylaw 20.2.4.17 for the year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this reports and, as such, users are responsible for determining whether the procedures are appropriate for their purposes.

The procedures and the associated findings are as follows:

I. General Procedures

1. Agreement To General Ledger

a. We obtained the University's Intercollegiate Athletics Department Statement of Revenues and Expenses from management. We checked the mathematical accuracy of the amounts on the statement, compared amounts on the statement to management's worksheets and compared and agreed each category of revenues per the Statement of Revenues and Expenses to the University's general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

b. We inquired of University management and obtained a representation that there are no outside booster organizations that contribute directly to the University.

Findings: Management explained that there are no outside booster organizations that contribute directly to the University.

II. Procedures Related To Internal Control Structure Policies And Procedures

1. Internal Control Policies And Procedures

a. We obtained from the University's management a description of aspects of the University's internal control structure unique to the Intercollegiate Athletics Department, such as ticket sales and receipts and athletic department expenses. We were engaged to report whether there were any significant changes in the policies that occurred during the year.

Findings: Per discussion with management, there have been no significant changes from the prior year.

b. We compared and agreed a sample of five revenue receipts obtained from the revenue supporting schedules to supporting documentation (copy of check, account deposit form for athletics, or miscellaneous receipt documentation).

Findings: No exceptions were found as a result of applying these procedures.

c. We compared and agreed a sample of five expenses obtained from the expense supporting schedules to supporting documentation (purchase order, vendor invoice and copy of check).

Findings: No exceptions were found as a result of applying these procedures.

III. Procedures Related to Revenues

1. Ticket Sales

The Ticket Sales category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

2. Direct State And Other Government Support

The Direct State And Other Government Support category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

3. *Student Athletic Fees*

a. We compared student athletic fees revenue to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: Athletic Fees revenue increased $120,057 and 11% from the prior year. Management explained that the increase is due to a change in the type of students who were assessed the general fee in fiscal year 2023.

b. We compared total student athletic fees revenue to the budgeted amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: No variations exceeding 10% were found as a result of applying these procedures.

c. We obtained and inspected the supporting transaction detail of student athletic fees revenue. We recalculated the total student athletic fees revenue recorded in the detail listing and agreed it to the amounts recorded in the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

d. We obtained and documented an understanding of the University's policies for allocating student athletic fees to the intercollegiate athletic program.

   Findings: No exceptions were found as a result of applying these procedures.

e. We compared and agreed student athletic fees reported by the University to enrollments during the current period. We recalculated student athletic fees revenue and obtained and documented management's explanation of any variation exceeding 10% of amounts recorded in the general ledger.

   Findings: No variations exceeding 10% were found as a result of applying these procedures.

4. *Direct Institutional Support*

f. We compared total direct institutional support revenue to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: Direct institutional support revenue increased $1,146,462 and 13% from the prior year. Management explained that this was due to an increased need for institutional support due to increased costs for athletics insurance, salary and benefit adjustments and scholarships.

g. We compared total direct institutional support revenue to the budgeted amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: No variations exceeding 10% were found as a result of applying these procedures.

h. We obtained and inspected supporting transaction detail of direct institutional support revenue. We recalculated the total direct institutional support revenue recorded in the detail listing and compared and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

i. We obtained supporting documentation, including University authorizations and supporting transaction detail. We recalculated the supporting documentation and compared and agreed amounts to the general ledger.

   Findings: For purposes of allocating direct institutional support to each sport, the University uses the budgeted expenses for each sport and then allocates the men's scholarships and women's scholarships budgeted expenses over each sport based on the actual sport-specific scholarships paid during the year to arrive at the budgeted expenses amount per the direct institutional support schedule. The total revenues are then allocated based on the percentage of total expenses for each sport and for non-program specific expenses.

   The allocated budgeted revenues are subtracted from the total expenses budgeted to arrive at the required direct institutional support for each sport/non-program specific and in total. Any non-budgeted transfers in/out are recorded during the year for each specific sport and additional non-budgeted amounts paid by the university (baseball field rental and Athletic Graduate Assistant Fee Waivers) are recorded to direct institutional support during the year.

   Based on understanding noted above, there is no population of individual transactions from which to choose. Therefore, RubinBrown did not select a sample.

5. *Transfers Back To Institution*

The Transfers Back to Institution category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

6. Indirect Institutional Support

The Indirect Institutional Support category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

7. Guarantees

j. We compared total Guarantees to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: No variations exceeding 10% were found as a result of applying these procedures.

k. We compared total guarantees revenue to the budgeted amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: Guarantees revenue was over budget by approximately $968,000 and 18%. Management explained that this was due to the budget being set before knowing the guarantee contracts.

l. We obtained and inspected supporting transaction detail of guarantees revenue. We recalculated the total guarantees revenue recorded in the detail listing and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

m. We obtained supporting documentation for three Guarantees revenue transactions. We recalculated the supporting documentation and compared and agreed amounts to the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

8. Contributions

a. We compared total contributions to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: No variations exceeding 10% were found as a result of applying these procedures.

b. We compared total contributions revenue to the budgeted amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: Contributions revenue was over budget by approximately $137,000 and 35%. Management explained that most types of contributions are not budgeted by the University.

c. We obtained and inspected supporting transaction detail of contributions revenue. We recalculated the total contributions revenue recorded in the detail listing and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

d. We obtained supporting documentation, including check copy of *Transfer of Funds Form,* for contributions revenue that constitute 10% or more of the combined total of contributions and sponsorships received. We recalculated the supporting documentation and compared and agreed amounts to the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

9. In-Kind

The University had no In-Kind revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

10. Compensation And Benefits Provided By A Third Party

The University had no Compensation and Benefits Provided By A Third Party revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

11. Media Rights

The Media Rights category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

12. NCAA Distributions

n. We compared total NCAA distributions revenue to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: NCAA Distributions revenue increased $120,433 and 15% from the prior year. Management explained that this was due to additional distributions for the football post season.

o. We compared total NCAA distributions revenue to the budgeted amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: NCAA distributions were $255,000 and 47% over budget. Management explained that this was due to conservative budgeting practices.

p. We obtained and inspected supporting transaction detail of NCAA distributions revenue. We recalculated the total NCAA distributions revenue recorded in the detail listing and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

q. We obtained supporting documentation for five NCAA distribution revenue transactions. We recalculated the supporting documentation and compared and agreed amounts to the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

13. Conference Distributions

The Conference Distributions category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

14. Program Sales, Concessions, Novelty Sales And Parking

The Program Sales, Concessions, Novelty Sales and Parking category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

15. Royalties, Licensing, Advertisements And Sponsorships

The Royalties, Licensing, Advertisements And Sponsorships category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

16. Sports Camps Revenue

The Sports Camps Revenue category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

17. Athletics Restricted Endowment And Investment Income

The Athletics Restricted Endowment And Investment Income category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

18. Other Operating Revenues

The Other Operating Revenues category was less than 4% of total revenue, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

19. Bowl Revenues

The University had no Bowl Revenues, therefore procedures were not required to be performed in accordance with the NCAA Agreed-Upon procedures guidelines.

IV. Procedures Related To Expenses

1. Athletic Student Aid

a. We compared total athletic student aid expenses to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: No variations exceeding 10% were found as a result of applying these procedures.

b. We obtained and inspected supporting transaction detail of athletic student aid expenses. We recalculated the total athletic student aid expenses recorded in the detail listing and agreed to amounts recorded on the general ledger.

   Findings: Total athletic aid per the detail listing by student amounted to $3,417,706, compared to the amount recorded on the general ledger of $$3,961,766, a difference of $544,060 or 13.7%. Management explained that the difference occurs because the detail listing by student includes only the financial aid reported to the NCAA, and does not include summer school aid which the University was able to provide to participants in some sports.

c. We obtained and inspected a listing of athletic student aid recipients. We obtained and inspected supporting documentation, including the award letter and student record, for thirty-one student athletes, accounting for 10% of the population of student athletes receiving aid. We recalculated the supporting documentation and compared and agreed the amounts to the general ledger.

   Findings: Recalculated totals per the supporting detail agreed within a 1% range of variance to the Statement.

d. We performed a check and ensured that each student selected for testing was also properly reported in the NCAA's Compliance Assistant Software and examined in accordance with the criteria set forth in the NCAA 2023 Agreed-Upon Procedures Guidelines - Step 31.

   Findings: No exceptions were found as a result of applying these procedures.

e. We performed a check of each student selected to ensure their information was reported accurately in either the NCAA's Compliance Assistant software or entered directly into the NCAA Membership Financial Reporting System.

   Findings: No exceptions were found as a result of applying these procedures.

f. We recalculated totals for each sport and overall.

   Findings: No exceptions were found as a result of applying these procedures.

2. *Guarantees*

The Guarantees category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

3. ***Coaching Salaries, Benefits And Bonuses Paid By The University And Related Entities***

a. We compared coaching salaries, benefits and bonuses expenses to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

Findings: Coaching salaries, benefits and bonuses expense paid by the University increased $361,353 and 10%. Management explained that the increase was related to increases in pension, fringe benefits and salary adjustments.

b. We obtained and inspected supporting transaction detail of coaching salaries, benefits and bonuses expenses. We selected a sample of support transaction detail reports (football, tennis, softball, women's basketball and baseball) and recalculated the total coaching salaries, benefits and bonuses expenses recorded in the detail listing and agreed to amounts recorded on the general ledger.

Findings: No exceptions were found as a result of applying these procedures.

c. We compared and agreed a sample of five coaching salaries, benefits and bonuses expenses selected from the supporting transaction detail to supporting documentation (including the employment contract and/or personnel action form, Additional Payments form and W-2).

Findings: No exceptions were noted as a result of applying these procedures.

4. ***Coaching Salaries, Benefits, And Bonuses Paid By A Third Party***

The University had no Coaching Salaries, Benefits, And Bonuses Paid By A Third Party expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

5. ***Support Staff And Administrative Salaries, Benefits And Bonuses Paid By The University And Related Entities***

a. We compared support staff and administrative salaries, benefits and bonuses expenses to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

Findings: Support staff and administrative salaries, benefits and bonuses expenses increased $225,510 and 12%. Management explained that the increase was related to increases in pension, fringe benefits and salary adjustments.

b. We obtained and inspected supporting transaction detail of support staff and administrative salaries, benefits and bonuses expenses. We selected a sample of support transaction detail reports and recalculated the total support staff expenses recorded in the detail listing and compared and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

c. We compared and agreed a sample of five support staff and administrative salaries, benefits and bonuses expenses selected from the supporting transaction detail to supporting documentation (including the employment contract and/or personnel action form, Additional Payments form and W-2).

   Findings: No exceptions were found as a result of applying these procedures.

6. Support/Administrative Salaries, Benefits, And Bonuses Paid By A Third Party

The University had no Staff/Administrative Salaries, Benefits and Bonuses Paid By A Third Party expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

7. Severance Payments

The University had no Severance Payments, therefore procedures were not required to be performed in accordance with the NCAA Agreed-Upon procedures guidelines.

8. Recruiting

The Recruiting category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

9. Team Travel

a. We compared team travel expenses to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: Total team travel increased $280,368 and 24% from the prior year. Management explained that this was due to increased travel for volleyball, tennis, track football, and men's basketball.

b. We compared and agreed the University's team travel expense policies to the NCAA-related policies.

   Findings: No exceptions were found as a result of applying these procedures.

c. We obtained and inspected supporting transaction detail of team travel expenses. We recalculated the total team travel expenses recorded in the detail listing and compared and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

d. We compared and agreed a sample of five team travel expenses selected from the supporting transaction detail to supporting documentation (including the vendor invoice/expense report/travel cash advance form and cash disbursement documentation such as cancelled check).

   Findings: No exceptions were found as a result of applying these procedures.

10. Sports Equipment, Uniforms And Supplies

The Sports Equipment, Uniform and Supplies category was less than 4% of total expenses; therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

11. Game Expenses

The Game Expenses category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

12. Fundraising, Marketing And Promotion

The Fundraising, Marketing and Promotion category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

13. Sports Camps Expenses

The Sports Camps Expenses category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

14. Spirit Groups

The Spirit Groups category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

15. Athletic Facility Debt Service, Leases And Rental Fees

The Athletic Facility Debt Service, Leases and Rental Fees category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

16. Direct Overhead And Administrative Expenses

The Direct Overhead And Administrative Expenses category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

17. Indirect Institutional Support

The Indirect Institution Support Expenses category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

18. Medical Expense And Medical Insurance

a. We compared team medical expense and medical insurance expenses to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

   Findings: Total medical expense and medical insurance expenses increased $487,392 and 51% from the prior year. Management explained that this was due to increases in insurance premiums.

b. We obtained and inspected supporting transaction detail of medical expense and medical insurance expenses. We recalculated the total medical expense and medical insurance expenses recorded in the detail listing and compared and agreed to amounts recorded on the general ledger.

   Findings: No exceptions were found as a result of applying these procedures.

c. We compared and agreed a sample of five medical expense and medical insurance expenses selected from the supporting transaction detail to supporting documentation (including the vendor invoice/expense report/travel cash advance form and cash disbursement documentation such as cancelled check).

Findings: No exceptions were found as a result of applying these procedures.

19. Membership And Dues

The Membership and Dues category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

20. Other Operating Expenses

a. We compared other operating expenses to the prior period amount. We obtained and documented management's explanation for any variation exceeding 10%.

Findings: Total other operating expenses increased $426,975 and 49% from the prior year. Management explained that the increase is due to more post season awards and new software subscriptions.

b. We obtained and inspected supporting transaction detail of other operating expenses. We recalculated the total other operating expenses recorded in the detail listing and compared and agreed to amounts recorded on the general ledger.

Findings: No exceptions were found as a result of applying these procedures.

c. We compared and agreed a sample of five other operating expenses selected from the supporting transaction detail to supporting documentation (including the vendor invoice/expense report/travel cash advance form and cash disbursement documentation such as cancelled check).

Findings: No exceptions were found as a result of applying these procedures.

21. Student-Athlete Meals (Non-Travel)

The Student-Athlete Meals (non-travel) category was less than 4% of total expenses, therefore procedures were not required to be performed per the NCAA Agreed-Upon procedures guidelines.

22. Bowl Expenses

The University had no Bowl Expenses, therefore procedures were not required to be performed in accordance with the NCAA Agreed-Upon procedures guidelines.

23. Other Procedures

a. We compared total budget to total expenditure by account index number. We obtained and documented management's explanation of any variation exceeding 10%.

Findings: We noted the following variations in excess of 10% as a result of applying these procedures:

Football expenses were more than budget by approximately $182,000 and 11%. Management explained that this was due to increased travel and recruiting expenses.

Gymnastics expenses were more than budget by approximately $20,000 and 11%. Management explained that this was due to increased travel and recruiting expenses.

Men's track and cross country expenses were more than budget by approximately $39,000 and 20%. Management explained that this was due to increased travel and recruiting expenses.

Women's track and cross country expenses were more than budget by approximately $43,000 and 22%. Management explained that this was due to increased travel and recruiting expenses.

Strength and conditioning expenses were more than budget by approximately $31,000 and 18%. Management explained that this was due to increased University funded graduate assistants.

Baseball expenses were more than budget by approximately $59,000 and 15%. Management explained that this was due to increased travel and recruiting expenses.

Athletic Administration expenses were less than budget by approximately $154,000 and 32%. Management explained that this was primarily due to staff vacancy resulting in a reduction in labor expense for the year.

Athletics Business Office expenses were less than budget by approximately $6,000 and 13%. Management explained that this was due prolonged staff vacancy and utilizing student labor to cover the staffing shortage.

General Athletics expenses were more than budget by approximately $16,000 and 34%. Management explained that this was due to utilizing a graduate assistant for the salaried position.

Training room expenses were less than budget by approximately $41,000 and 13%. Management explained that this was due to this category being with strength and conditioning.

Post-Season Competition Awards expenses were more than budget by approximately $208,000 and 194%. Management explained that this was due to expenses during the current year that were posted to the general post-season award account code instead individual sport post season account codes.

Men's basketball post-season expenses were more than budget by approximately $115,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Baseball post-season expenses were more than budget by approximately $58,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Game management expenses were more than budget by approximately $56,000 and 44%. Management explained that this was due to additional bathroom rentals and scissor lifts for the north side of the football stadium.

Volleyball post-season expenses were more than budget by approximately $10,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Women's basketball post-season expenses were more than budget by approximately $26,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Athletics Guarantees - Men expenses were more than budget by approximately $80,000 and 100%. Management explained that this was due to more guarantee games that included more travel expenses and hotel rooms paid for visiting teams.

Track post-season expenses were more than budget by approximately $120,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Softball post-season expenses were as more than budget by approximately $35,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Softball expenses were more than budget by approximately $47,000 and 14%. Management explained that this was due to increased travel and recruiting expenses.

NCAA Compliance expenses were more than budget by approximately $12,000 and 15%. Management explained that this was due to an added graduate assistant that was not included in the budget.

Tennis post-season expenses were more than budget by approximately $31,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Gymnastics post-season expenses were more than budget by approximately $26,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Athletics marketing promotions expenses were more than budget by approximately $25,000 and 58%. Management explained that this was due to University funded graduate assistants.

Soccer post-season expenses were more than budget by approximately $3,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Athletic development expenses were more than budget by approximately $19,000 and 26%. Management explained that this was due to an added graduate student that was not in the base budget.

Sports information expenses were more than budget by approximately $40,000 and 17%. Management explained that this was due to additional full-time employees.

Sundancers expenses were less than budget by approximately $9,000 and 68%. Management explained that the Sundancers utilized foundation funds for additional expenses.

Football postseason expenses were more than budget by approximately $122,000 and 100%. Management explained that this was due to more post season expenses in the current year.

Athletic sponsorship expenses were greater than budget by $16,000 and 14%. Management explained that this was due to additional benefit costs for dependents.

Athletics ticket office expenses were greater than budget by approximately $12,000 and 16%. Management explained that this was due to a one-time purchase of temporary chairbacks due to construction and field goal club catering.

ESPN athletics streaming expenses were greater than budget by approximately $35,000 and 100%. Management explained that this was due to ESPN+ production student labor.

Athletics insurance expenses were greater than budget by approximately $172,000 and 25%. Management explained that this was due to a premium increase after the budget was established.

There were approximately $220,000 of actual expenses (such as complimentary basketball and football tickets, workers compensation, and vacation accrual expenses) for which no amount was budgeted. Management explained that these expenses are paid for by other areas of the University or the Foundation or are in-kind expenses.

b. We did not compare line item expenses in the Statement of Revenues and Expenses to the budgeted amounts. University management has explained that the University's budgeting process does not specifically identify expenses on the same level of detail as presented in the Statement of Revenues and Expenses as they budget in a different manner.

IV. Procedures Related To Other Reporting Items

1. Excess Transfers To Institution And Conference Realignment Expenses

The University had no expenses for excess transfers to institution and conference realignment expenses therefore procedures were not required to be performed in accordance with the NCAA Agreed-Upon procedures guidelines.

2. Conference Realignment Expenses

The University had no expenses for conference realignment expenses therefore procedures were not required to be performed in accordance with the NCAA Agreed-Upon procedures guidelines.

3. Total Athletics Related Debt

The University has no athletics related debt therefore procedures were not required to be performed in accordance with the NCAA Agreed-Upon procedures guidelines.

4. *Total Institutional Debt*

a. We agreed the total outstanding institutional debt to supporting documentation and the institution's audited financial statements.

Findings: No exceptions were found as a result of applying these procedures.

5. *Value Of Athletics Dedicated Endowments*

a. We obtained a schedule of all athletics dedicated endowments maintained by athletics, the institution, and affiliated organizations. We agreed the fair market value in the schedule to the supporting documentation, the general ledger(s) and audited financial statements.

Findings: No exceptions were found as a result of applying these procedures.

6. *Value Of Institutional Endowments*

a. We agreed the total fair market value of institutional endowments to the supporting documentation, the general ledger(s) and audited financial statements.

Findings: No exceptions were found as a result of applying these procedures.

7. *Total Athletics Related Capital Expenditures*

a. We obtained a schedule of athletics related capital expenditures made by athletics, the institution, and affiliated organizations during the reporting period.

Findings: No exceptions were found as a result of applying these procedures.

b. We obtained general ledger detail and compared to the total expenses reported. We selected a sample and agreed two transactions to supporting documentation to validate existence of the transaction and accuracy of recording and we recalculated totals.

Findings: No exceptions were found as a result of applying these procedures.

8. *Sports Sponsorship*

a. We compared and agreed the sports sponsored reported in the NCAA Membership Financial Reporting System to the squad lists of the University.

Findings: No exceptions were found as a result of applying these procedures.

b. We obtained the University's Sports Sponsorship and Demographics Form Report for the reporting year. We validated that the countable sports reported by the institution meet the minimum requirements for the number of contests and the number of participants in each contest set forth in Bylaw 20.9.6.3 that is counted towards meeting the minimum-contest requirement. We confirmed that these countable sports have been properly reported as countable for revenue distribution purposes within the NCAA Membership Financial Reporting System.

Findings: No exceptions were found as a result of applying these procedures.

9. Pell Grants

a. We agreed the total number of Division I student-athletes who, during the academic year, received a Pell Grant Award and the total value of the Pell Grants reported in the NCAA Membership Financial Reporting System to a report generated out of the institution's financial aid records, of all student athlete Pell Grants.

Findings: The total number of Division I student-athletes who, during the academic year, received a Pell Grant Award did not agree to the total value of the Pell Grants reported in the NCAA Membership Financial Reporting System.

We were engaged by the University to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying University Intercollegiate Athletics Department Statement of Revenues and Expenses of the University for the year ended June 30, 2023, or the specified elements, accounts and items or internal control over financial reporting and compliance described above. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management and the Board of Governors of Southeast Missouri State University and is not intended to be, and should not be, used by anyone other than the specified parties.

RubinBrown LLP

January 29, 2024

SOUTHEAST MISSOURI STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT

STATEMENT OF REVENUES AND EXPENSES

For The Year Ended June 30, 2023

	Football	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Revenues						
Ticket sales	$ 273,542	$ 204,376	$ 24,612	$ 38,700	$ —	$ 541,230
Direct institutional support	—	148,022	—	19,400	8,861,484	9,028,906
Student fees	—	—	—	—	1,096,264	1,096,264
Direct State or Other Govt. Support	141,120	—	—	—	—	141,120
Indirect institutional support	21,990	744	—	88,104	347,621	458,459
Guarantees	500,000	360,000	63,000	45,094	—	968,094
Contributions	121,111	1,373	5,543	111,152	572,188	811,367
Media rights	—	—		—	500	500
NCAA distributions	52,000	—	—	—	746,743	798,743
Conference distributions	—	—	—	—	208,862	208,862
Program sales, concessions, novelty sales and parking	—	—	—	—	3,583	3,583
Royalties, licensing, advertisements and sponsorships	—	—	1,073	5,160	321,401	327,634
Sports camps	16,772	6,366	7,427	75,033	—	105,598
Athletics restricted endowment and investment income	—	—	—	—	74,752	74,752
Other operating revenues	—	80,312	—	5,766	7,052	93,130
Total Revenues	1,126,535	801,193	101,655	388,409	12,240,450	14,658,242

See the notes to statement of revenues and expenses.

SOUTHEAST MISSOURI STATE UNIVERSITY
INTERCOLLEGIATE ATHLETICS DEPARTMENT

STATEMENT OF REVENUES AND EXPENSES

For The Year Ended June 30, 2023

	Football	Men's Basketball	Women's Basketball	Other Sports	Nonprogram Specific	Total
Expenses						
Athletic student aid	$ 1,403,645	$ 268,888	$ 304,319	$ 1,741,338	$ 243,576	$ 3,961,766
Guarantees	465	—	—	4,409	204,552	209,426
Coaching salaries, benefits and bonuses paid by the University and related entities	1,044,176	564,245	408,268	1,358,689	208,237	3,583,615
Support staff and administrative salaries, benefits and bonuses paid by the University and related entities	275,730	60,211	54,968	14,789	1,550,556	1,956,254
Severance payments	—	148,022	—	—	—	148,022
Recruiting	94,676	40,606	25,574	60,808	133	221,797
Team travel	218,452	141,631	102,463	703,096	14,187	1,179,829
Sports equipment, uniforms and supplies	279,534	46,661	32,043	195,968	38,984	593,190
Game expenses	56,248	60,914	42,459	113,332	53,964	326,917
Fundraising, marketing and promotion	1,116	768	85	117	123,168	125,254
Sports camps	15,658	4,467	1,876	29,843	—	51,844
Spirit groups	—	9,279	—	21,148	44,372	74,799
Direct overhead and administrative expenses	8,280	388	310	7,720	19,721	36,419
Indirect institutional support	13,494	743	—	66,839	266,864	347,940
Medical expenses and medical insurance	4,631	2,984	1,739	3,379	948,974	961,707
Membership and dues	3,986	14,303	2,770	5,855	51,094	78,008
Other operating expenses	232,372	148,311	67,791	128,007	303,176	879,657
Student athlete meals	97,468	15,504	15,758	63,263	40,076	232,069
Total Expenses	3,749,931	1,527,925	1,060,424	4,518,600	4,111,634	14,968,514
Excess (Deficiency) Of Revenues Over Expenses	$ (2,623,396)	$ (726,732)	$ (958,769)	$ (4,130,191)	$ 8,128,816	$ (310,271)

See the notes to statement of revenues and expenses.

1. Notes To Statement Of Revenues And Expenses (Unaudited)

Basis Of Presentation

The Statement of Revenues and Expenses of the Intercollegiate Athletics Department of Southeast Missouri State University (the University) is prepared in conformity with accounting principles generally accepted in the United States of America.

Student Fees

Student fees are assessed to each student on a per-credit-hour basis each semester. These fees are allocated by management to various student services, including athletics, annually.

Contributions

There were no individual contributions of monies, goods or services from an affiliated or outside organization, agency, or individuals that constituted 10% or more of all contributions received for intercollegiate athletics during the year ended June 30, 2023.

Indirect Institutional Support

General ground support, custodial support and maintenance for Houck, Rosengarten, and the University's track is allocated to individual sports and as nonprogram specific indirect institutional support within the Statement of Revenues and Expenses.

Debt

As of June 30, 2023, the University did not have any outstanding debt related to the University's Intercollegiate Athletics. Total University debt outstanding at June 30, 2023 was $153,329,835.

Endowment Funds

As of June 30, 2023, the University's value of institutional endowment funds totaled approximately $105,327,222 of which $2,286,925 consisted of endowment funds dedicated for Athletics.

Capital Expenditures

Athletics-related capital assets are recorded at cost at the date of acquisition or at acquisition value at the date of donation if acquired by gift. The University's capitalization policy includes items with a value of $10,000 or more and an estimated useful life greater than one year.

Depreciation is computed using the straight-line method over the estimated useful life of the asset, generally 40 years for buildings and improvements, 20 years for land improvements, 3 years for software, 10 years for library books, and 3-10 years for equipment and vehicles. Depreciation expense is not allocated among functional categories.

The University expended approximately $14,442,590 in capital improvements, which were capitalized by the University, related to Athletics Facilities during the year ended June 30, 2023.

Attachment G

SOUTHEAST MISSOURI STATE UNIVERSITY · 1873

BOARD OF GOVERNORS

REPORT ITEM

February 23, 2024

Open Session

PROGRESS REPORT – Contracts and Facilities Management Projects

Part I – Contracts in Excess of $100,000

The following contract(s) and/or purchase order(s) in excess of $100,000 for which provisions have been made in the annual operations or capital budgets or designated fund balances of the University or subsequent projects approved by the Board of Governors were executed:

PROJECT	ANTICIPATED COMPLETION	VENDOR	AWARD AMOUNT
New Observatory	March 2024	Nip Kelley Equipment Co, Inc.	$153,935.00
Vandiver Elevator Machine Room Upgrade	July 2024	Kiefner Brothers Inc.	$117,200.00

Part II – Facilities Management Capital Projects Update Report

A. STATE FUNDED CAPITAL IMPROVEMENT PROJECTS

PROJECT	ANTICIPATED COMPLETION	STATUS
Tunnel 14,15,16,25 Repair/ Replacement	October 2023	Substantially complete. Punch list in progress. Will bid additional package for concrete pavement portion Fall/Winter 2023.
Houck Stadium South Sideline	September 2023	Substantially complete. Punch list in progress.
Tunnel Repairs Phase 3 – Tunnel 37	Summer 2025	Design in progress.
Elevator Addition & Computer Lab at Innovation Center	May 2024	In progress.
Cyber Command Center Services & Consulting	May 2024	In progress.
New Health Sciences Building – Dearmont Utility Relocation Phase Construction Phase	Fall 2024 May 2026	Design in progress. Design in progress.

B. UNIVERSITY FUNDED AND MAINTENANCE & REPAIR CAPITAL IMPROVEMENTS OVER $50,000

PROJECT	ANTICIPATED COMPLETION	STATUS
North Chiller Plant #2 Overhaul	May 2024	In progress.
Modern Campus Master Plan	Spring 2024	In progress.
River Campus Terrace Sculpture	Winter 2024	Project substantially complete. Stone caps to be installed in February 2024.
Vandiver Hall Shower Replacement	Summer 2023/Summer 2024	Phase 1 completed. Phase 2 to be completed Summer 2024.
Vandiver Elevator Machine Room Upgrades	Summer 2024	Contract awarded to Kiefner. Construction will begin in May.
Seabaugh Polytech Building Roof Replacement	Summer 2024 and Summer 2025	Bid project in late January 2024. Will review bids and award
Magill Hall Air Flow Analysis	TBD	Site investigation and document review in progress.
Campus E&G Building Assessments	February 2024	In progress. Similar in scope to Residence Life Facilities Assessment. Excludes auxiliaries and regional campuses.
Observatory Construction	Spring 2024	Bid November 2023. Contract awarded to Nip Kelley. Construction in progress.
Serena Roof Replacement	TBD	Design in progress.
River Campus Seminary Roof Replacement	TBD	Design in progress.
Kent Library N. Façade/Portico/Plaza Renovation	Winter 2023	Design in progress.
General Construction Contract 2023	Multiple projects 2023	Currently no active projects.
General Electrical Contract 2023	Multiple projects 2023	Fiber Bore & Fiber Pull Assistance – Tunnel 2 - $30,436.24 – Completed. Install Pitch Clocks/Replay Cameras at Capaha & Softball Fields - $39,609 – Substantially complete. Replace East 750 KVA Transformer at SMC - $37,168 – Target completion – 5/31/2024. Replace H Frame Insulator - $1,246 – Target completion – 5/31/2024.
General Plumbing Contract 2023	Multiple projects 2023	Currently no active projects.

Note: Shading indicates completed projects.

FY24 UNIVERSITY OPERATING BUDGET TO ACTUAL
Through December 31, 2023

All Funds

	FY24 Appr Budget	FY24 Dec Budget	FY24 Dec YTD	FY23 Dec YTD
ESTIMATED INCOME:				
STATE APPROPRIATIONS:	$ 52,046,707	$ 26,023,354	$ 26,023,354	$ 24,320,892
STUDENT FEES:				
Tuition	64,427,375	61,818,320	63,955,682	68,483,190
Scholarships and Fee Waivers	(18,722,514)	(9,212,884)	(10,787,612)	(13,850,599)
Net Tuition (Gross Tuition less Scholarships & Fee Waivers)	$ 45,704,861	$ 52,605,436	$ 53,168,071	$ 54,632,591
Student Fees	10,980,525	9,910,537	11,179,910	10,694,050
TUITION AND STUDENT FEES:	$ 56,685,386	$ 62,515,973	$ 64,347,980	$ 65,326,641
OTHER SOURCES:				
Investment Income	1,380,000	575,000	1,813,668	360,215
State Grants and Contracts	1,032,028	516,014	258,007	516,012
Sales and Services of Academic Departments	3,031,560	1,515,780	1,832,984	1,791,064
Sales and Services of Non-Academic Departments	28,913,148	26,798,336	23,614,920	24,636,966
Foundation Support	1,311,498	20,000	127,155	122,463
Athletics Revenues	2,071,010	23,501	68,500	820,031
Miscellaneous Income	6,394,296	3,107,398	3,224,533	3,761,749
TOTAL OTHER SOURCES:	$ 44,133,540	$ 32,556,029	$ 31,409,265	$ 32,008,500
TOTAL ESTIMATED INCOME:	**$ 152,865,633**	**$ 121,095,355**	**$ 121,780,600**	**$ 121,656,033**

ESTIMATED EXPENDITURES:	FY24 Appr Budget	FY24 Dec Budget	Dec YTD	FY23 Dec YTD
PERSONNEL:				
Faculty/Staff	66,289,509	32,972,757	28,066,088	27,091,405
Benefits	27,167,948	13,560,496	11,319,291	11,227,839
Student Labor	2,817,700	1,408,850	1,447,151	1,484,648
TOTAL PERSONNEL:	$ 96,275,157	$ 47,942,103	$ 40,832,530	$ 39,803,892
TOTAL EQUIPMENT AND OPERATIONS:	43,501,379	21,750,690	24,100,532	20,472,394
TOTAL ESTIMATED EXPENDITURES:	**$ 139,776,536**	**$ 69,692,793**	**$ 64,933,062**	**$ 60,276,286**
DEBT SERVICE TRANSFERS:	12,306,530	-	1,423,243	1,423,243
OPERATING TRANSFERS, NET:	779,161	243,000	327,237	1,516,041
TOTAL ESTIMATED NET TRANSFERS OUT/(IN):	**$ 13,085,691**	**$ 243,000**	**$ 1,750,479**	**$ 2,939,283**
SURPLUS/(DEFICIT):	**$ 3,406**	**$ 51,159,563**	**$ 55,097,058**	**$ 58,440,463**

FY24 UNIVERSITY OPERATING BUDGET TO ACTUAL
Through December 31, 2023

Education and General Funds

	FY24 Appr Bud	FY24 Dec Budget	FY24 Dec YTD	FY23 Dec YTD
ESTIMATED INCOME:				
STATE APPROPRIATIONS:	$ 52,046,707	$ 26,023,354	$ 26,023,354	24,320,892.00
STUDENT FEES:				
Tuition	64,427,375	61,818,320	63,955,682	68,483,189.93
Scholarships and Fee Waivers	(12,777,954)	(6,536,706)	(7,517,347)	(10,759,854.56)
Net Tuition	$ 51,649,421	$ 55,281,614	$ 56,438,335	57,723,335.37
Student Fees	7,251,535	7,118,041	7,616,047	7,399,314.82
TOTAL TUITION AND STUDENT FEES:	$ 58,900,956	$ 62,399,655	$ 69,394,233	65,122,650.19
OTHER SOURCES:				
Investment Income	1,150,000	575,000	1,813,668	360,214.74
State Grants and Contracts	-	-	-	-
Sales and Services of Academic Departments	347,060	173,530	141,178	131,677.26
Sales and Services of Non-Academic Departments	193,800	96,900	401,471	280,898.49
Foundation Support	585,259	-	83,402	116,961.15
Athletics Revenues	-	-	-	-
Miscellaneous Income / Other Operating Revenue	1,582,150	791,075	770,763	1,517,014.14
TOTAL OTHER SOURCES:	$ 3,858,269	$ 1,636,505	$ 3,210,481	2,406,765.78
TOTAL ESTIMATED INCOME:	**$ 114,805,932**	**$ 90,059,514**	**$ 98,628,068**	**91,850,307.97**

	FY24 Appr Bud	Dec Budget	Dec YTD	FY23 Dec YTD
ESTIMATED EXPENDITURES :				
PERSONNEL:				
Faculty/Staff	56,480,431	28,068,216	23,662,794	22,845,536.98
Benefits	20,675,491	10,314,268	8,325,151	7,918,749.59
Student Labor	1,574,668	787,334	693,089	785,570.94
TOTAL PERSONNEL:	$ 78,730,590	$ 39,169,817	$ 32,681,034	31,549,857.51
TOTAL EQUIPMENT AND OPERATIONS:	$ 22,359,582	$ 11,179,791	$ 13,291,856	11,543,249.51
TOTAL ESTIMATED EXPENDITURES:	**$ 101,090,172**	**$ 50,349,608**	**$ 45,972,890**	**43,093,107.02**
DEBT SERVICE TRANSFERS:	3,884,500		348,653	348,653.33
OPERATING TRANSFERS, NET:	9,827,854	320,000	744,242	7,844,100.70
TOTAL ESTIMATED TRANSFERS OUT/(IN):	**$ 13,712,354**	**$ 320,000**	**$ 1,092,895**	**8,192,754.03**
SURPLUS/(DEFICIT):	**$ 3,406**	**$ 39,389,906**	**$ 51,562,283**	**40,564,447**

FY24 UNIVERSITY OPERATING BUDGET TO ACTUAL
Through December 31, 2023

Auxiliary Funds

	FY24 Appr Bud	FY24 Dec Budget 6	FY24 Dec YTD	FY23 Dec YTD
ESTIMATED INCOME:				
STATE APPROPRIATIONS:	$ -	$ -		$ -
STUDENT FEES:				
Tuition	-	-		-
Scholarships and Fee Waivers	(2,098,770)	(944,447)	(1,058,383.69)	(1,129,135)
Net Tuition	$ (2,098,770)	$ (944,447)	$ (1,058,384)	$ (1,129,135)
Student Fees	1,936,000	1,936,000	1,922,389	1,950,732
TOTAL TUITION AND STUDENT FEES:	$ (162,770)	$ 991,553	$ 864,005	$ 821,597
OTHER SOURCES:				
Investment Income	230,000		-	-
State Grants and Contracts	-		-	-
Sales and Services of Academic Departments	-		-	478
Sales and Services of Non-Academic Departments	27,330,475	26,000,000	22,483,907.51	23,779,466
Foundation Support	223,239		-	-
Athletics Revenues	-		-	-
Miscellaneous Income	2,143,890	990,946	967,994.74	1,008,391
TOTAL OTHER SOURCES:	$ 29,927,604	$ 26,990,946	23,451,902	$ 24,788,335
TOTAL ESTIMATED INCOME:	**$ 29,764,834**	**$ 27,982,499**	**$ 24,315,908**	**$ 25,609,932**

	FY24 Appr Bud	Dec Budget	FY24 Dec YTD	FY23 Dec YTD
ESTIMATED EXPENDITURES :				
PERSONNEL:				
Faculty/Staff	3,069,074	1,534,540	1,370,121.12	1,333,749
Benefits	1,380,232	690,116	588,798.52	563,058
Student Labor	779,808	389,904	457,877.01	427,738
TOTAL PERSONNEL:	$ 5,229,114	$ 2,614,560	$ 2,416,797	$ 2,324,545
TOTAL EQUIPMENT AND OPERATIONS:	$ 14,998,342	$ 7,499,171	$ 6,945,920	$ 5,425,492
TOTAL ESTIMATED EXPENDITURES:	**$ 20,227,456**	**$ 10,113,731**	**$ 9,362,717**	**$ 7,750,038**
DEBT SERVICE TRANSFERS:	8,422,030		1,074,589	1,074,589
OPERATING TRANSFERS, NET:	1,115,348	33,000	33,052	2,492,729
TOTAL ESTIMATED TRANSFERS OUT/(IN):	**$ 9,537,378**	**$ 33,000**	**$ 1,107,641**	**$ 3,567,319**
SURPLUS/(DEFICIT):	**$ -**	**$ 17,835,768**	**$ 13,845,550**	**$ 14,292,575**

FY24 UNIVERSITY OPERATING BUDGET TO ACTUAL
Through December 31, 2023

Designated Funds

	FY24 Appr Bud	FY24 Dec Budget	FY24 Dec YTD	FY23 Dec YTD
ESTIMATED INCOME:				
STATE APPROPRIATIONS:	$ -	$ -	$ -	-
STUDENT FEES:				
Tuition	-		-	-
Scholarships and Fee Waivers	(3,845,790)	(1,731,731)	(2,211,881)	(1,961,609.33)
Net Tuition	$ (3,845,790)	$ (1,731,731)	$ (2,211,881)	(1,961,609.33)
Student Fees	1,792,990	92,901	91,300	1,344,003.72
TOTAL TUITION AND STUDENT FEES:	$ (2,052,800)	$ (875,235)	(570,407)	(617,605.61)
OTHER SOURCES:				
Investment Income	-	-	-	-
State Grants and Contracts	1,032,028	516,014	258,007	516,012.00
Sales and Services of Academic Departments	2,684,500	1,342,250	1,691,806	1,658,908.93
Sales and Services of Non-Academic Departments	1,388,873	701,436	729,542	576,601.50
Foundation Support	503,000	20,000	43,753	5,501.84
Athletics Revenues	2,071,010	23,501	68,500	820,030.76
Miscellaneous Income	2,668,256	1,325,377	1,485,776	1,236,343.91
TOTAL OTHER SOURCES:	$ 10,347,667	3,928,578	$ 4,746,882	4,813,399.94
TOTAL ESTIMATED INCOME:	**$ 8,294,867**	**$ 3,053,343**	**$ 4,176,474**	**4,195,794.33**

ESTIMATED EXPENDITURES :	**FY24 Appr Bud**	**Dec Budget**	**Dec YTD**	**FY23 Dec YTD**
PERSONNEL:				
Faculty/Staff	6,740,004	3,370,002	3,033,173	2,912,118.62
Benefits	5,112,225	2,556,113	2,405,341	2,746,031.78
Student Labor	463,224	231,612	296,185	271,339.16
TOTAL PERSONNEL:	$ 12,315,453	$ 6,157,727	$ 5,734,699	5,929,489.56
TOTAL EQUIPMENT AND OPERATIONS:	$ 6,143,455	3,071,728	$ 3,862,756	3,503,652.19
TOTAL ESTIMATED EXPENDITURES:	**$ 18,458,908**	**$ 9,229,454**	**$ 9,597,455**	**9,433,141.75**
DEBT SERVICE TRANSFERS:	-	-	-	-
OPERATING TRANSFERS, NET:	(10,164,041)	(110,000)	(450,057)	(8,820,789.38)
TOTAL ESTIMATED TRANSFERS OUT/(IN):	**$ (10,164,041)**	**$ (110,000)**	**$ (450,057)**	**(8,820,789.38)**
SURPLUS/(DEFICIT):	**$ -**	**$ (6,066,111)**	**$ (4,970,924)**	**$ 3,583,441**

Attachment I

BOARD OF GOVERNORS
REPORT ITEM
February 23, 2024
Open Session

Faculty & Staff Personnel Actions December 2023 & January 2024

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

RANKED FACULTY APPOINTMENTS

Name	Position-Department	Salary	Effective

No Data to Report

TERM FACULTY APPOINTMENTS

Name	Position-Department	Salary	Effective

No Data to Report

(See Addendum A for Part-time Faculty and Part-Time staff teaching Appointments)

(See Addendum B for Overload Faculty Appointments)

(See Addendum C for Graduate Assistant Appointments)

FACULTY SEPARATIONS

Name	Position-Department	Effective
Burleson, Marilyn	Instructor - Biology	12/31/23
Fernholz, Marissa	Instructor - Communication Studies and Modern Languages	12/31/23
Kadzere, Charles	Chairperson/Professor - Agriculture	12/31/23
Koen, Nina	Instructor - Criminal Justice, Social Work, and Sociology	12/31/23
Kozlovska, Silvia	Instructor - English	12/31/23
Lillo Kang, Sarah	Associate Professor - Leadership, Middle, and Secondary Education	12/31/23
Nesler, Carol	Instructor - Art and Design	12/31/23
Ray, Jayanti	Chairperson/Professor - Communication Disorders	12/31/23

SABBATICALS

Name	Position-Department	Effective

No Data to Report

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

ADDENDUM A

The following have been appointed as Part-time Faculty for the Fall 2023 semester.

Name	Department	Salary

No Data to Report

The following staff employees have been appointed as Part-time Faculty for the Fall 2023 semester.

Name	Department	Salary

No Data to Report

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

ADDENDUM B

Overload payments for Fall 2023 teaching/alternate assignments.

Name	Department	Salary
Atuo, Fidelis	Biology	$100.00
Baldwin, Christopher	Political Science, Philosophy, and Religion	$50.00
Bengtson, Jennifer	History and Anthropology	$150.00
Bond, Marcus	Chemistry and Physics	$100.00
Braden, Indi	Agriculture	$100.00
Bradley, Christopher	Criminal Justice, Social Work, and Sociology	$50.00
Bratberg, William	Leadership, Middle, and Secondary Education	$400.00
Brubaker, James	English	$250.00
Buck, Tamara	Mass Media	$200.00
Casey, Garrett	Chemistry and Physics	$50.00
Cho, Hyeon	Child and Family Studies	$50.00
Chou, Ethan	Computer Science	$50.00
Clapsaddle, Shannon	Leadership, Middle, and Secondary Education	$100.00
Clubbs, Brooke	Leadership, Middle, and Secondary Education	$300.00
Cox, Sandra	English	$50.00
Crawford, Philip	Chemistry and Physics	$50.00
Chronister, Andrew	Engineering and Technology	$50.00
Dudley, John	Engineering and Technology	$50.00
Faber, Anthony	Child and Family Studies	$150.00
Fluegge, Erin	Management	$50.00
Fritz, Kelley	Biology	$100.00
Garcia, Mario	Computer Science	$50.00
Guimaraes, Mario	Computer Science	$50.00
Hatcher, Laura	Political Science, Philosophy, and Religion	$150.00
Henry, Jason	Biology	$50.00
Hoffman, Steven	History and Anthropology	$50.00
Holzhauer, Debra	Political Science, Philosophy, and Religion	$0.00
Islam, Shariful	Biology	$150.00
Judd, Timothy	Biology	$100.00
Kirschman, Lucas	Biology	$200.00
Kisat, Courtney	History and Anthropology	$50.00
Kraemer, John	Biology	$850.00
Krieger, Laura	Criminal Justice, Social Work, and Sociology	$50.00
Kuborn, Sarah	Child and Family Studies	$300.00
Li, Zhouzhou	Computer Science	$50.00
Lillo Kang, Sarah	Leadership, Middle, and Secondary Education	$200.00
Liu, Xiaoming	Computer Science	$100.00
Liu, Ziping	Computer Science	$100.00
Love, Hayley	Child and Family Studies	$100.00
Lowe, Robert	Computer Science	$600.00
McGill, James	Chemistry and Physics	$50.00
Mills, Pamela	Chemistry and Physics	$50.00
Mitra, Reshmi	Computer Science	$50.00
Murphy, Joseph	Chemistry and Physics	$50.00
Musgrave, Kevin	Communication Studies and Modern Languages	$50.00
Newman, James	Political Science, Philosophy, and Religion	$50.00

Noto, Quantella	Management	$150.00
Pace, Lesli	Communication Studies and Modern Languages	$100.00
Ramos, Adolfo	Allied Health, Kinesiology, and Sport Science	$250.00
Ray, Jayanti	Communication Disorders	$50.00
Rickard, Jennifer	History and Anthropology	$200.00
Roberts, Craig	Mathematics	$50.00
Roberts, Dawn	Biology	$50.00
Roy, Indranil	Computer Science	$50.00
Ruggiero, Robert	Biology	$100.00
Schmid, Morgan	Art and Design	$400.00
Schneider, Kyle	Allied Health, Kinesiology, and Sport Science	$150.00
Sentell, James	English	$50.00
Shaner, Sarah	Chemistry and Physics	$50.00
Shen, Yiqun	Political Science, Philosophy, and Religion	$50.00
Siegel, Dustin	Biology	$50.00
Siemers, Samantha	Agriculture	$150.00
Silwal, Sajan	Chemistry and Physics	$150.00
Smith, Robin	Leadership, Middle, and Secondary Education	$50.00
Sobba, Kristen	Criminal Justice, Social Work, and Sociology	$50.00
Svenson, Sven	Agriculture	$850.00
Thompson, Emmanuel	Mathematics	$150.00
Wagganer, Jason	Allied Health, Kinesiology, and Sport Science	$200.00
Walling, Jeremy	Political Science, Philosophy, and Religion	$200.00
Wang, Shaojun	Engineering and Technology	$100.00
Ward, Janice	Psychology and Counseling	$150.00
Wilson, Asa	Management	$400.00
Yancey, George	Psychology and Counseling	$50.00

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

ADDEMDUM C

The following have been appointed as Graduate Assistants for the Fall 2023 semester.

Name	Department	Salary

No Data to Report

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

STAFF APPOINTMENTS

Name	Position-Department	Salary	FTE	Effective
Davis, Judith	Coordinator Academic and Student Services Kennett Regional Campus	$50,000.04	100	12/01/23
Heck, Julia	Admissions Counselor I Admissions	$36,000.00	100	12/04/23
Kennon, Aidan	Public Safety Officer Cadet Public Safety	$25,792.00	100	12/04/23
Page, Hannah	Accountant/Financial Analyst Accounting Services	$53,000.00	100	12/01/23
Weber, Evan	Medical Doctor Autism Center MOAC	$200,000.00	100	12/01/23

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

STAFF SEPARATIONS

Name	Position-Department	Effective
Bernier, Alexandria	Academic Success Coach Academic Advising	12/15/23
Cooper, Anthony	Patrol Sergeant Public Safety Public Safety	12/31/23
Gerecke, Bonnie	Administrative Assistant Mass Media	12/31/23
Hale, Shelly	Senior Research Analyst Institutional Research	12/31/23
Hohler, Casey	Assistant Director, Campus Engagement Admissions	12/13/23
Hopkins, Michelle	Content Instructional Consultant RPDC Program Income	12/01/23
Lady, Abbie	Marketing Director Show Me Center Administration	12/21/23
Long, Lisa	Consumer Educator APPLE SCSFB	12/31/23
Nelson, Paul	Assistant Head Coach Athletics	12/31/23
Rolwing, Matthew	Hall Director Residence Hall Directors	12/21/23
Smith, Raymond	Assistant Coach Football Athletics	12/31/23
Stewart, Ranesha	Support Staff/Driver Horizons Center	12/21/23
Welker, Michele	APPLE Project Director APPLE SCSFB	12/31/23

STAFF LEAVE WITHOUT PAY

Name	Position-Department	Effective
No Data to Report		

SOUTHEAST MISSOURI STATE UNIVERSITY
December 2023

STAFF CHANGE OF STATUS

Name	Position-Department	Action	Effective
Dicus, William	Records Specialist Registrar From: $26,823.68 Course and Scheduling Coordinator Registrar To: $39,000.00	Promotion	12/18/23
Koeller-Guzman, Jeffrey `	Transcript Specialist Registrar From: $26,823.68 Senior Administrative Assistant Registrar To: $31,200.00	Promotion	12/18/23

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

RANKED FACULTY APPOINTMENTS

Name	Position-Department	Salary	Effective

No Data to Report

TERM FACULTY APPOINTMENTS

Name	Position-Department	Salary	Effective

No Data to Report

(See Addendum A for Part-time Faculty and Part-Time staff teaching Appointments)

(See Addendum B for Overload Faculty Appointments)

(See Addendum C for Graduate Assistant Appointments)

FACULTY SEPARATIONS

Name	Position-Department	Effective

No Data to Report

SABBATICALS

Name	Position-Department	Effective

No Data to Report

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

ADDENDUM A

The following have been appointed as Part-time Faculty for the Spring 2024 semester.

Name	Department	Salary
Rushing, Christina	Child and Family Studies	$2,763.00

The following staff employees have been appointed as Part-time Faculty for the Spring 2024 semester.

Name	Department	Salary

No Data to Report

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

ADDENDUM B

Overload payments for Spring 2024 teaching/alternate assignments.

Name	Department	Salary
Amer, Suhair	Computer Science	$8,923.78
Barnes, Jeremy	Allied Health, Kinesiology, and Sport Science	$8,336.73
Braden, Indi	Agriculture	$7,654.53
Caldwell, James	Management	$11,390.92
Cho, Hyeon	Marketing	$8,439.04
Davis, Tammy	Child and Family Studies	$4,839.22
Fulton, Susan	Communication Disorders	$1,500.00
Garner, Sara	Child and Family Studies	$4,942.44
Hayes, Jonathan	English	$4,310.54
Kearney, Monica	Allied Health, Kinesiology, and Sport Science	$5,350.39
Kessler, Jonathan	Chemistry and Physics	$5,940.18
Kuborn, Sarah	Child and Family Studies	$5,668.75
Lohmann, Rebecca	Accounting, Economics, Finance	$6,036.31
Long, Sheila	Child and Family Studies	$4,354.76
Louie, Kimberly	Communication Studies and Modern Languages	$100.00
Mardonav, Ismatillo	Management	$10,197.50
Melvin, Paul	Accounting, Economics, Finance	$5,434.68
Ramdial, Joel	Allied Health, Kinesiology, and Sport Science	$4,773.80
Randolph, Yvonne	Management	$5,741.95
Roberts, Dawn	Biology	$4,269.38
Schneider, Kyle	Allied Health, Kinesiology, and Sport Science	$5,709.25
Scott, Alicia	Allied Health, Kinesiology, and Sport Science	$4,552.19
Siemers, Samantha	Agriculture	$6,300.89
Singh, Pradeep	Mathematics	$1,750.00
Stiegemeyer, Angela	Allied Health, Kinesiology, and Sport Science	$4,900.32
Tucker, John	Communication Studies and Modern Languages	$50.00

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

ADDEMDUM C

The following have been appointed as Graduate Assistants for the Spring 2024 semester.

Name	Department	Salary
Benipal, Archit	Computer Science	$4,745.50
Boreddy, Sai Kumar Reddy	Computer Science	$4,448.91
Cate, Connor	Biology	$4,745.50
Ghosh, Saurav	Computer Science	$4,745.50
Hall, Jessica	Allied Health, Kinesiology, and Sport Sciences	$4,330.27
Justus, Conner	Athletics	$4,745.50
Lindsey, Donald	Health and Human Studies	$2,372.75
Martin, Zachary	Political Science	$4,745.50
Nguyen, Thi My Lynh	Regional Professional Development Center	$4,745.50
Oliver, David	Recreation Services	$4,745.50
Oluwafemi, Iyanuoluwa	Chemistry and Physics	$4,745.50
Pandey, Dilasha	Equity Services	$4,745.50
Petrowske, Shea	Student Financial Services	$4,745.50
Pitts, Grace	Biology	$4,745.50
Ravikandi, Santhosh	Computer Science	$4,745.50
Roberts, Allison	TRIO/Student Support Services	$4,745.50
Winslow, Hailey	Admissions	$4,745.50
Yarra, Aditya Varma	Computer Science	$4,745.50

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

STAFF APPOINTMENTS

Name	Position-Department	Salary	FTE	Effective
Black, LaQuentin	Assistant Coach Football	$58,000.08	100	01/02/24
Brown, Nicholas	Electrician Apprentice Buildings Department Maintenance	$47,174.40	100	01/29/24
Bruce, Gabrialle	Hall Director Residence Hall Directors	$36,000.00	100	01/02/24
Glaus, Densen	HVAC/R Mechanic Apprentice Buildings Department Maintenance	$47,174.40	100	01/02/24
Haun, Jacob	Hall Director Residence Life Central Offices	$39,000.00	100	01/02/24
Huey, Kristin	Administrative Assistant Agriculture	$29,120.00	100	01/02/24
Marshall, Rebecca	Assistant Teacher University School for Young Children	$31,720.00	100	01/16/24
Mouser, Andrew	Electrician Apprentice Buildings Department Maintenance	$47,174.40	100	01/02/24
Perry, Nikki	Lead Teacher University School for Young Children	$35,359.32	100	01/02/24
Piersall, Hugh	Sport Performance Director Strength and Conditioning	$55,000.08	100	01/19/24
Senciboy, Garrett	Public Safety Sergeant Public Safety	$25,792.00	100	01/08/24
Sokolik, Sissy	Library Assistant II Kent Library	$26,000.00	100	01/16/24
Strattman, Jaylen	Registered Behavior Technician Autism Center	$36,400.00	100	01/02/24
Walter, Danny	Teaching Associate Testing Services	$36,000.00	100	01/08/24
Watson, Kelley	Accountant/Financial Analyst Accounting Services	$55,000.00	100	01/01/24
Woolf, Jennifer	Academic Success Coach Academic Advising	$45,000.00	100	01/02/24

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

STAFF SEPARATIONS

Name	Position-Department	Effective
Beckwith, Kevon	Assistant Football Coach Football	01/10/24
Davis, Elizabeth	Administrative Assistant Kennett Regional Campus	01/02/24
Kennon, Aidan	Police Officer Cadet Public Safety	01/26/24
Long, Alexis	International Admissions Specialist International Education and Services	01/05/24
Martin, Amanda	Co-Head Athletic Trainer Training Room	01/31/24
Messmer, Theresa	Senior Administrative Assistant Arts and Media	01/16/24
Napoli, Ryan	Director of Sports Performance Strength and Conditioning	01/05/24
Newsome, Shelby	Lead Teacher University School for Young Children	01/26/24

STAFF LEAVE WITHOUT PAY

Name	Position-Department	Effective
No Data to Report		

SOUTHEAST MISSOURI STATE UNIVERSITY
January 2024

STAFF CHANGE OF STATUS

Name	Position-Department	Action	Effective
Lopez, Veronica	Intake Specialist McNair From: $40,000.08 To: $40,000.08	Contract Renewal	01/01/24
Johnson, Dyvi'on	Senior Administrative Assistant New Student Programs From: $29,464.08 Career Services Specialist Career Services To: $36,000.00	Promotion	01/01/24
O'Brien, Mia `	Regional Admissions Counselor Term Admissions From: $45,999.96 Regional Admissions Counselor Admissions To: $46,000.00	Promotion	01/01/24
Vaughn, Laura	Operations Supervisor Regional Professional Development Center From: $33,045.93 Operations Supervisor Regional Professional Development Center To: $38,500.00	Reclassification	01/14/24
Forester, Daniel	Painter Journeyman Buildings Department Maintenance From: $46,966.40 To: $47,070.40	Longevity Increase	01/28/24