

**WESTERN WASHINGTON UNIVERSITY
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

TO: Members of the Board of Trustees

FROM: President Sabah Randhawa by Provost Brad Johnson

DATE: December 9, 2022

SUBJECT: **Quarterly Report on Grants and Contracts**

PURPOSE: Informational Item

Purpose of Submittal:

Information from the Office of Research and Sponsored Programs concerning grant awards for the period of July 1, 2022 – September 30, 2022 (First Quarter).

Supporting Information:

- Grant awards/totals for First Quarter, the period 7/1/22 – 9/30/22

ACADEMIC UNIT	ADDITIONAL	INITIAL	TOTAL
ADV MATERIALS SCI & ENGINEERING CTR	\$ 138,095.00	\$ 121,438.00	\$ 259,533.00
BIOLOGY DEPARTMENT	\$ 17,559.00	\$ 50,000.00	\$ 67,559.00
BORDER POLICY RESEARCH INSTITUTE		\$ 54,312.00	\$ 54,312.00
CHEMISTRY DEPARTMENT	\$ 393,107.00		\$ 393,107.00
COMPUTER SCIENCE DEPARTMENT		\$ 17,500.00	\$ 17,500.00
DEPT OF ENVIRONMENTAL SCIENCES	\$ 214,013.00	\$ 403,254.00	\$ 617,267.00
ED LEADERSHIP & INCLUSIVE TEACHING		\$ 97,776.48	\$ 97,776.48
ELEMENTARY EDUCATION		\$ 36,000.00	\$ 36,000.00
ENGINEERING AND DESIGN DEPARTMENT	\$ 19,700.00	\$ 45,357.00	\$ 65,057.00
GEOLOGY DEPARTMENT	\$ 142,077.00	\$ 247,738.00	\$ 389,815.00
HEALTH AND COMMUNITY STUDIES		\$ 200,000.00	\$ 200,000.00
INSTITUTE OF ENV TOXICOLOGY & CHEMISTRY		\$ 249,067.00	\$ 249,067.00
PHYSICS - ASTRONOMY DEPARTMENT		\$ 209,988.00	\$ 209,988.00
PSYCHOLOGY DEPARTMENT		\$ 29,999.00	\$ 29,999.00
SCIENCE MATH AND TECHNOLOGY ED		\$ 38,820.00	\$ 38,820.00
SHANNON POINT MARINE CENTER	\$ 163,381.00	\$ 438,334.00	\$ 601,715.00
STUDENT HEALTH CENTER		\$ 40,000.00	\$ 40,000.00
STUDENT LIFE		\$ 3,500.00	\$ 3,500.00
STUDENT OUTREACH SERVICES		\$ 7,000.00	\$ 7,000.00
URBAN ENVIRONMENT PLANNING POLICY		\$ 142,963.92	\$ 142,963.92
TOTAL	\$ 1,087,932.00	\$2,433,047.40	\$ 3,520,979.40

**WESTERN WASHINGTON UNIVERSITY
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

TO: Members of the Board of Trustees

FROM: President Sabah Randhawa on behalf of Melynda Huskey

DATE: **December 9, 2022**

SUBJECT: **Enrollment Management**

PURPOSE: Information Item

I. Enrollment

Retention efforts are a primary focus for Western this year. Enrollment is dependent on our ability to continue to recruit new students and hold the competitive edge that we gained this year, as well as our ability to successfully address the changing needs of a student body that has had a different (pandemic-impacted) experience preparing for collegiate study.

Winter 2023 Enrollment Outlook

Enrollment for Winter 2023 will be impacted by the smaller cohorts of new students that have enrolled in the last two years and by the lower overall enrollment this fall. Registration for winter is on pace for enrollment in Winter 2023 to be near—but under—the level of enrollment in Winter 2022 (currently about one percentage point down). As you know, Fall 2022 enrollment was down 2.5% from Fall 2021.

The tables below show comparative data on applications, admits, and confirmations for new students for winter, as of Wednesday, November 23, 2022, and compared to the same week in recent years. New first-year students are always a small portion of our new student population for winter, but those numbers have been increasing in recent years. The majority of our new student population in winter is consistently transfer students, and we continue to experience declines in transfer applications and confirmations. We are seeing an increase in the number and proportion of first-generation students in the pool for winter, as well as in the number and proportion of students identifying as students of color. We will report on that further after census day for Winter 2023.

New transfers—Bellingham

	Applied	Admitted	Confirmed
2023	503	370	286
2022	566	437	336
2021	541	463	320
2020	660	533	411

New transfers—other locations

	Applied	Admitted	Confirmed
2023	7	2	2
2022	13	4	4
2021	21	7	7
2020	23	6	6

New first-year students—Bellingham

	Applied	Admitted	Confirmed
2023	149	105	79
2022	108	77	65
2021	117	97	62
2020	69	47	40

Fall 2023 Recruitment

After experiencing some success in new student recruitment this fall, we are focused on holding our competitive edge in the coming recruitment cycle. The November 1st Early Action deadline is behind us, and application activity is strong. We are processing applications and issuing admissions decisions quickly and have a relatively large pool of admitted first-year students. Confirmations from new first-year students are being submitted at a similar pace to that of recent years, though it is still very early to make meaningful comparisons. The following tables provide some comparative information about applications, admits, and confirmations for new first-year students for Fall 2023, as compared to the same week in the cycle for recent years.

Totals as of November 30, 2022:

New first-year students—Bellingham

	Applied	Admitted	Confirmed
2023	7,023	5,970	330
2022	5,334	4,487	228
2021	5,371	4,354	345
2020	5,004	3,552	193

New transfers—Bellingham

	Applied	Admitted	Confirmed
2023	193	13	5
2022	195	34	34
2021	139	31	15
2020	110	9	1

New transfers—other locations

	Applied	Admitted	Confirmed
2023	10	0	0
2022	9	1	1
2021	21	6	6
2020	12	0	0

Important notes on New First-year Applications for Fall 2023

- First-year applications are up significantly, but the gap between application numbers this year and in past years is expected to narrow.
- The percentage of applicants who have been offered admission is comparable to that of last year at this time in the cycle. (85% currently, compared to 84.1% for Fall 2022)
- The percentage of first-year applicants identifying as students of color is comparable to what it was at this time in the cycle for Fall 2022.
- The percentage of first-year applicants identifying as first-generation is comparable to what it was at this time in the cycle for Fall 2022.

- While still very early in the process, the number of first-year students confirming enrollment is in line with what we have seen in recent years, despite larger numbers of applicants and admits.

The significant increase in the number of first-year applications for Fall 2023 can be attributed to several factors:

- Continued investment in institutional marketing
- Full resumption of key recruitment activities, both on- and off-campus, including resumed activity with Community-Based Organizations
- Dividends beginning to be realized on prior-year marketing for early high schoolers (i.e., sophomores and juniors)
- Supporting the second year of the state's Guaranteed Admissions Program
- Joining the Common App consortium and deploying the application platform for the Fall 2023 cycle

The impact of the last factor on that list (joining the Common App) should not be underestimated. The other public baccalaureate institutions in the state have also joined the Common App. They are reporting sizeable increases in applications for first-year admission—a good sign, particularly for those institutions that experienced significant enrollment losses during the pandemic. Early indications are that students are submitting applications to more schools on average than they have in past years. For that and other reasons, we are monitoring this year's increased exposure through that platform with guarded optimism.

Traditionally, a significant increase in applications and offers of admission—especially those generated from places where an institution's brand is less well-known—will result in a drop in the yield of confirmed students. The size and makeup of the first-year applicant pool is still coming into focus as we near the January 31st application deadline.

It is still too early to provide much analysis of the transfer applicant pool, as overall numbers will grow to around 2,000 before the application cycle ends. We will keep a close eye on the number of applications generated by students from community colleges as opposed to other four-year institutions, and we will be watching for demographic shifts in the transfer applicant pool.

There are promising signs for the Community College sector this fall. Featured in the article [“Can High Schoolers Save the Community College?”](#) Inside Higher Ed reporter Liam Knox delves into National Student Clearinghouse data to highlight the growth in the number of dual-enrolled students—those enrolled both in high school and community college—and how these students may sustain many two-year institutions. However promising these trends are, it is important to note that any increases in dual-enrolled students does not signify an additional boon in net new students available for bachelor's study. First, these increases compare against Fall 2021, while the sector's overall enrollment numbers are still well below the 2010 highpoint for community college enrollment. Second, dual-enrolled student numbers are already included in projections for high school graduates featured in the [“Knocking at the College Door”](#) reports generated by the Western Interstate Commission on Higher Education (WICHE). Washington's State Board for Community & Technical Colleges (SBCTC) has yet to release fall enrollment data on its dashboard. We expect to see that information early in 2023.

As we move forward committed to our work with transfer students and our partnering community colleges, we will dedicate additional time and resources to execute the recommendations and findings from our work with Olympic College in the Transfer Intensive program organized by the Aspen Institute and AASCU. In a meeting in early November in Poulsbo, we met with our Olympic College partners to officially launch the Strategic Transfer Impact Plan (STIP) developed over the past year.

FAFSA Submission—The percentage of Washington high school seniors who complete a FAFSA is an ongoing concern. Through November 18, 2022, 17.6% of the high school class of 2023 in Washington has completed the FAFSA. This compares with 22.5% nationally. Both nationally and for Washington, this is a slight increase from last year at this time in the cycle. Source: *FAFSA Tracker*, sponsored by the National College Attainment Network at <https://formyourfuture.org/fafsa-tracker/>.

Guaranteed Admissions Program—We continue to leverage competitive advantages in an ever-challenging recruitment landscape. In its second year, the Guaranteed Admissions Program (GAP) appears to be paying dividends as we reach a wider swath of the state's high schools. Coordinated through the Council of Presidents, Western has partnered with four of the other public baccalaureate institutions in the state (UW is not participating) in connecting with students from over 130 high schools—out of around 300 statewide—by featuring college admission benefits for those who meet set criteria for admission—namely, minimum Grade Point Average (GPA) and completion of the College Academic Distribution Requirements (CADRs) as established by the Washington Student Achievement Council (WSAC). This year's efforts, featuring enhanced segmented communication campaigns, remain focused on increasing access, highlighting pathways to post-secondary opportunities, and promoting credential completion for Washington's graduating high school seniors. Early reporting suggests that this year's program is playing a significant role in the increase in first-year applications for the Fall 2023 cohort.

II. Registrar

Awarding of Degrees

Students continue to file late degree applications for graduation this fall. As of November 29, 2022, we have 772 students pending graduation in Fall 2022—687 undergraduate students and 85 graduate students. After fall grading is completed, graduation will be certified for all students who successfully complete their final degree requirements.

Commencement

December Commencement 2022 (<https://registrar.wvu.edu/december-commencement>) is scheduled to be held on Saturday, December 10th in Carver Gym on the Bellingham campus. We will host three ceremonies, and they will start at 10:00am, 1:00pm, and 4:00pm. We expect each ceremony to run a little over one hour. We are expecting almost 700 students to attend the ceremonies that day, including about 115 alumni who graduated between March 2020 and June 2021. The pandemic necessitated that we celebrate graduation virtually during that time, but we committed to inviting those graduates back for an in-person ceremony as soon as it was possible and considered safe. Students will, again, be allowed to bring guests without limitation as to number. We have asked students—when making their commencement reservation—to share with us how many guests will join them at the ceremonies, and we expect about 2000 guests at each ceremony.

III. Student Aid

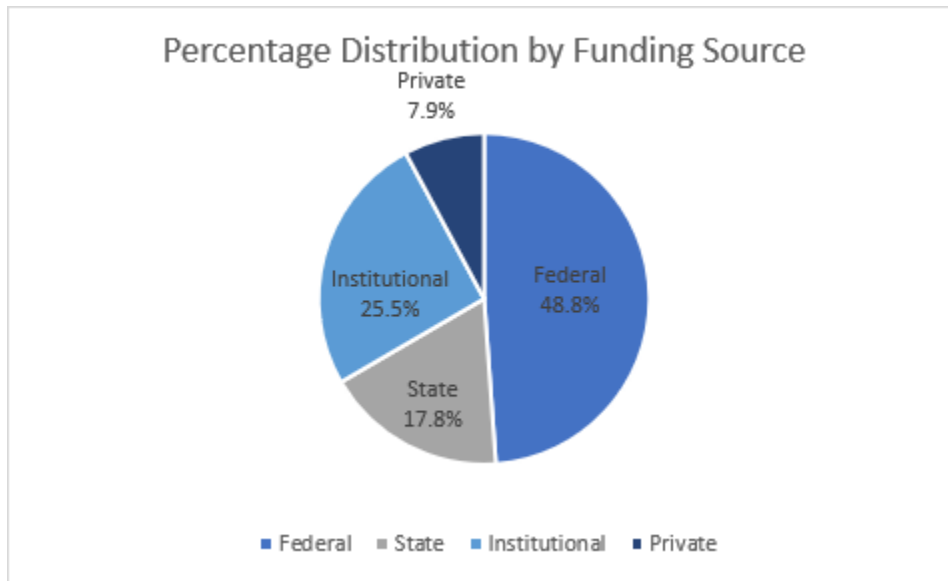
Financial Aid Disbursements for 2021-22

Financial aid disbursements for 2021-22 totaled \$135,864,671 to 9,892 students compared to \$122,941,753 to 9,810 students in 2020-21. The increase in disbursements is attributable to increases in Higher Education Emergency Relief Fund disbursements, student earnings, and the increase in enrolled students eligible for financial aid.

2021-22 Financial Aid Disbursements by Type

• Grants	\$	54,028,612	39.77%
• Scholarships	\$	24,241,353	17.84%
• Employment	\$	11,803,769	08.69%
• Loans	\$	45,455,273	33.46%
• Misc.	\$	<u>335,664</u>	<u>00.25%</u>
Total	\$	135,864,671	100.01% (rounding error)

2021-22 Financial Aid Disbursements by Funding Source



• Federal	\$	66,378,260
• State	\$	24,134,126
• Institutional	\$	34,678,231
• Private	\$	<u>10,674,054</u>
Total	\$	135,864,671

Aid disbursements made to students with emergency funding—primarily associated with the pandemic—totaled \$13,447,942.

- \$13,067,934 through HEERF dollars
- \$173,703 in repurposed institutional scholarships and grants
- \$206,305 in state grants

Although some financial aid pays for expenses due and payable to Western on student accounts, a significant portion of financial aid is disbursed to students to pay other education-related expenses, such as rent and food expenses associated with living off campus, transportation, childcare, etc. Aid is disbursed to students in accordance with prescribed regulatory requirements, which include application of funds to specific charges on student accounts. After allowable expenses have been paid on student accounts, remaining aid is disbursed to students, which they use to pay for education-related expenses that are not due and payable to Western.

Federal Cohort Default Rate

The newest three-year federal cohort default rates (CDR) have recently been published by the U.S. Department of Education. The federal cohort default rate includes students who have borrowed through the Federal Subsidized and Unsubsidized Direct Loan programs. The national average cohort default rate for FY 2019 was 2.3% (down from 7.3% in FY 2018). Default rates decreased in part because borrowers were not required to make payments for more than one year of the three-year timeframe used in the default rate calculation—a result of COVID-19 forbearance.

Western's federal CDR for fiscal year 2019 came in at only 0.5% and is the lowest among the four-year public institutions in Washington state.

Comparison of Cohort Default Rates Among Washington Four-Year Public Institutions

	FY2019	FY2018	FY2017	FY 2016
Western Washington	.5%	1.7%	2.7%	2.7%
UW Seattle	.7%	2.1%	2.2%	2.8%
WSU Pullman	1.4%	3.3%	4.6%	4.1%
EWU	1.3%	4.0%	5.4%	5.1%
CWU	1.8%	5.2%	6.9%	5.8%
Evergreen	2.2%	6.5%	8.4%	10.4%

HEERF Update

Western was allocated approximately \$27.7 million Federal HEERF (Higher Education Emergency Relief Fund) dollars over the course of the pandemic. After awarding about \$2.9 million this fall to students with exceptional financial need, approximately \$150,000 remains.

In mid-November 2022, Financial Aid provided an update to the academic colleges and Enrollment and Student Services division, inviting university colleagues to refer students who are undergoing extreme financial hardship to Financial Aid for HEERF consideration. We anticipate that the final round of HEERF awarding will take place in mid-December 2022.

SNAP Outreach

Financial Aid is in the process of identifying students who appear to be eligible for SNAP (Supplemental Nutrition Assistance Program) benefits and encouraging them to apply. The department is offering to assist with documentation requirements associated with SNAP applications, as well.

Sweeping Changes to Federal Student Aid Policies Ahead

The FAFSA (Free Application for Federal Student Aid) Simplification Act and Consolidated Appropriations Acts of 2021 and 2022 will bring sweeping changes to federal student aid policies, which will in turn impact how institutions award state and institutional student financial aid. Although the effective date for implementation of many of these changes was moved to July 1, 2024, some will need to be implemented during the 2023-24 school year. The financial aid community awaits further guidance from the U.S. Department of Education in December 2022.

Changes include but are not limited to revisions associated with the following:

- The FAFSA application and the data formatting that schools must adopt to upload and otherwise process FAFSAs
- Federal Pell Grant formula
- Federal methodology used to calculate financial need

- Replacing the concept of an EFC (expected family contribution) with an SAI (student aid index)
- Treatment of student when family has more than one student enrolled in college
- Treatment of small businesses/farms
- Treatment of untaxed income
- Cost of attendance determinations
- Verification (FAFSA audit) requirements
- Undergraduate eligibility limits for subsidized Federal student loans
- Dependency determinations
- Use of professional judgment
- Definition of unaccompanied homeless youth
- Eligibility determinations for incarcerated students
- Consumer disclosure requirements

Implementation will be anything but simple. Further, we anticipate the need to restructure some aid practices to address gaps for students who will lose Pell grants and perhaps state grants.

Fortunately, NASFAA (National Association of Student Financial Aid Administrators) has recently offered a tool for members to use to model the impact of these changes on our respective student populations. We are in the process of learning more about the tool and will apply what we learn to Western's awarding methodologies, with an eye toward recruitment and keeping students enrolled and on track to graduation.

IV. New Student Services/Family Outreach

Orientation, Advising, and Registration (OAR) Programs for New Students

Winter 2023 Advising & Registration (A&R) Sessions have begun for new winter quarter students. Four A&R Sessions are scheduled, with two in November specifically for transfer students and two sessions (December and January) which will be open to both transfer and first-year students. All A&R Sessions are completed virtually via Zoom with academic advising in the morning and individual advising appointments in the afternoon to support registration preparation. Planning for Spring and Summer A&R Sessions is currently underway, with the expectation that dates will be set by the start of December.

Additional planning for expansion of Orientation-related offerings is also underway, including design of smaller scale in-person events to be offered over the summer and early Fall to focus on academic support opportunities, campus wayfinding, parent and family outreach, and student resource connections.

A successful new collaboration led by and in partnership with the Student Success Initiatives (SSI) unit has resulted in the creation of a "First-Generation Family Toolkit". In reviewing feedback from first-generation students, the SSI unit learned that many would feel more supported if their families had a better understanding of the college experience. In response, staff from SSI and NSSFO designed a "toolkit" that aligns the most common practices of successful students with available campus support services and resources. The toolkit offers helpful insight to parents and families as they transition to their new and often changing role as coaches, partners, or cheerleaders to name a few. The amount of support provided may ebb and flow over time as students strengthen the skills they need to succeed at Western, but this toolkit will be available year-round in digital format, anchored in the Families section of the NSSFO website. <https://nssfo.wvu.edu/first-generation-family-toolkit>

Family Outreach

Fall Family Weekend (FFW) 2022 was a very successful weekend of on- and off-campus events and activities. The development of new off-campus/community partnerships related to FFW events in 2021 expanded in 2022. Enthusiasm in 2021 for new events with the SPARK Museum of Electrical Invention (tours and shows), Bellinghistory Tours with the Good Time Girls (walking and virtual tours), the Upfront Theatre (comedy improv shows), and Experience International/Bike Northwest (Urban Agriculture and Marine Ecology bike tours) led to those partners adding shows/events and creating FFW-specific shows. Where possible, we seek out partnerships with Western alumni-owned or operated businesses and activities.

In addition to the community partnerships, NSSFO has sought more sustainable on-campus partnerships to provide fun, informative, and often low- to no-cost events for participants to connect with Western's spaces and places. Events such as partnering with University Residences for their pumpkin-carving in the residence halls gave families an opportunity to experience the students' home-away-from-home. Based on interest from parents/families, a resource and information fair was offered for the first time this year. Among the groups represented were Counseling, Health, and Wellness; Financial Aid; Academic Advising; Career Services; Education Abroad; Bellingham Tourism. Both participants and campus representatives reported positively on their experience with the fair, which was held on Friday, Saturday, and Sunday and was well-attended.

The Family Outreach Manager continues to offer Family Outreach Office Hours for parents and families. In those office hours, parents and family members can learn more about campus resources, receive appropriate referrals to campus services based on issues or concerns, and talk about the college experience at Western. Often families attend with their student to receive recommendations, support, or referrals. This past year the Family Outreach Manager completed 55 consultation appointments, and demand continues to grow.

V. Veteran Services Office

New Location for VSO

The Veteran Service Office has made a long-awaited move into Viking Commons 525. The VSO hosted an Open House the day prior to the Veterans Day holiday to introduce campus to their new space.

Partnership with Growing Veterans

Growing Veterans is a nonprofit organization focused on using the farm and growing food as the catalyst for human connection and veteran reintegration in an effort to lower the rates of suicide among returning veterans. In partnership with Growing Veterans, the VSO hosted a three-day peer support training session on November 4, 5 and 6 on WWU's Bellingham campus.

The training, which is approved by the Veterans Administration and is free for Western's vets, uses nationally recognized best practices for peer support, with participants learning to facilitate healthy conversations and outcomes, reduce peer isolation, and develop tools to create a network of peer support. The training was developed by veterans and mental health care professionals for veterans, civilians, mental health providers, businesses, and organizations committed to the wellness of veterans and each other.

Dedicated Mental Health Counselor

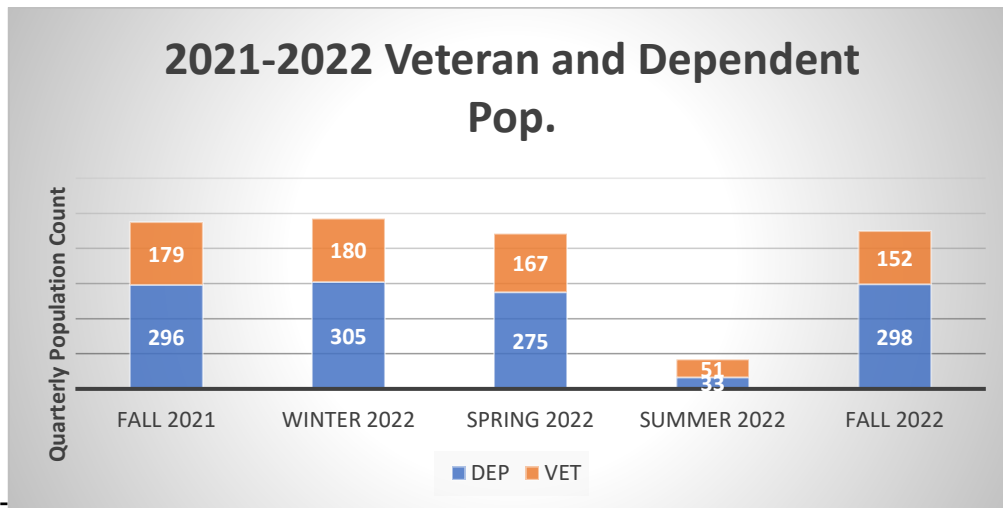
The VSO hosts a mental health counselor in our space every Friday. Joshua Hilderbrand is the new mental health counselor dedicated to working with our veteran students. He is a licensed independent clinical social worker and army veteran. He earned a master's degree in social

work from the University of Southern California in 2014. Prior to arriving at WWU, his work concentrated on veterans experiencing homelessness, military social work, transitions from active duty to civilian life, combat trauma and recovery. Joshua approaches therapy from a strengths-based lens and offers therapeutic modalities including mindfulness practice, person-centered therapy, and motivational interviewing. He believes therapy is a collaborative endeavor and values the person-in-environment perspective.

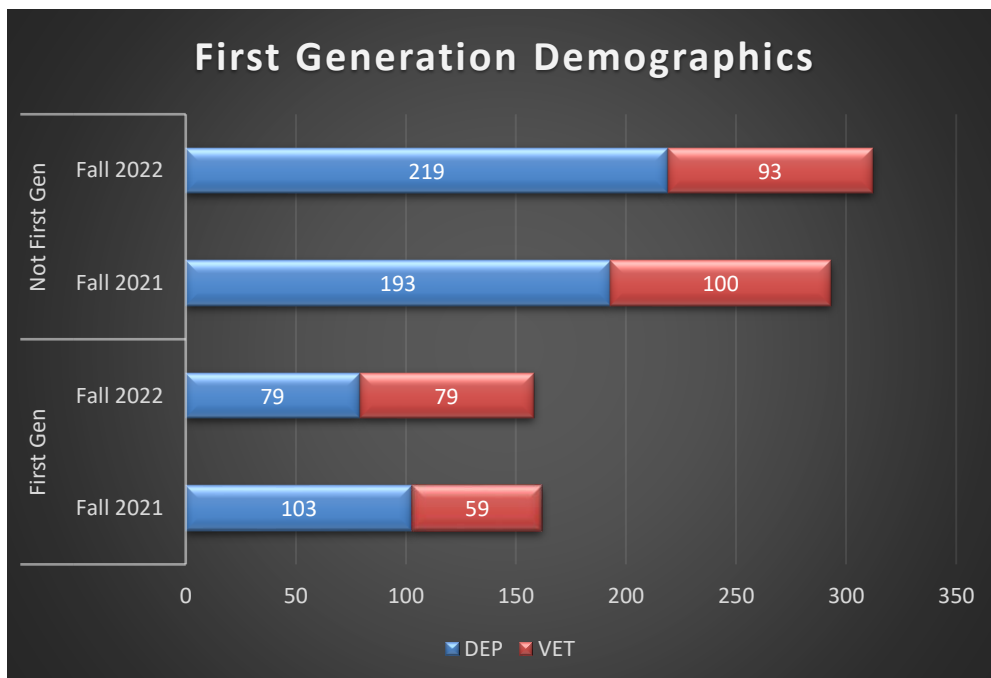
Enrollment of Veterans and Dependents

The VSO has enjoyed an 18% increase in overall student population from 2016 to 2022. The population of students served by VSO remained relatively consistent from Fall 2021 to Fall 2022.

- Overall Population

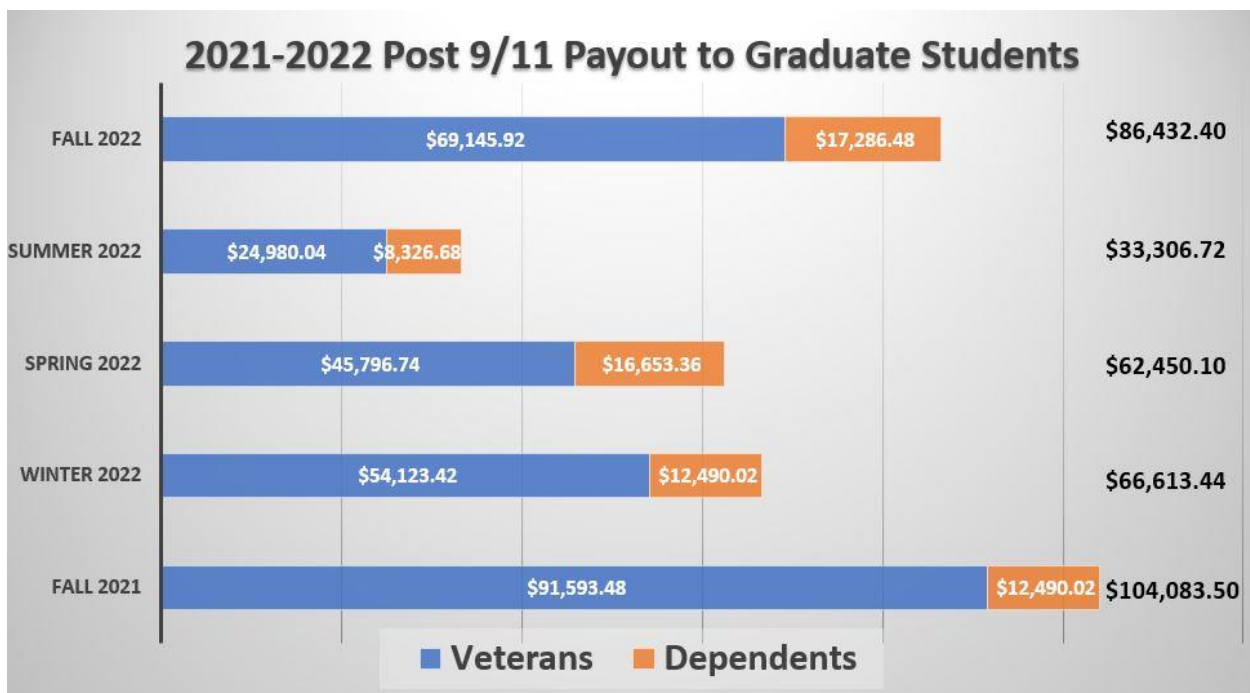
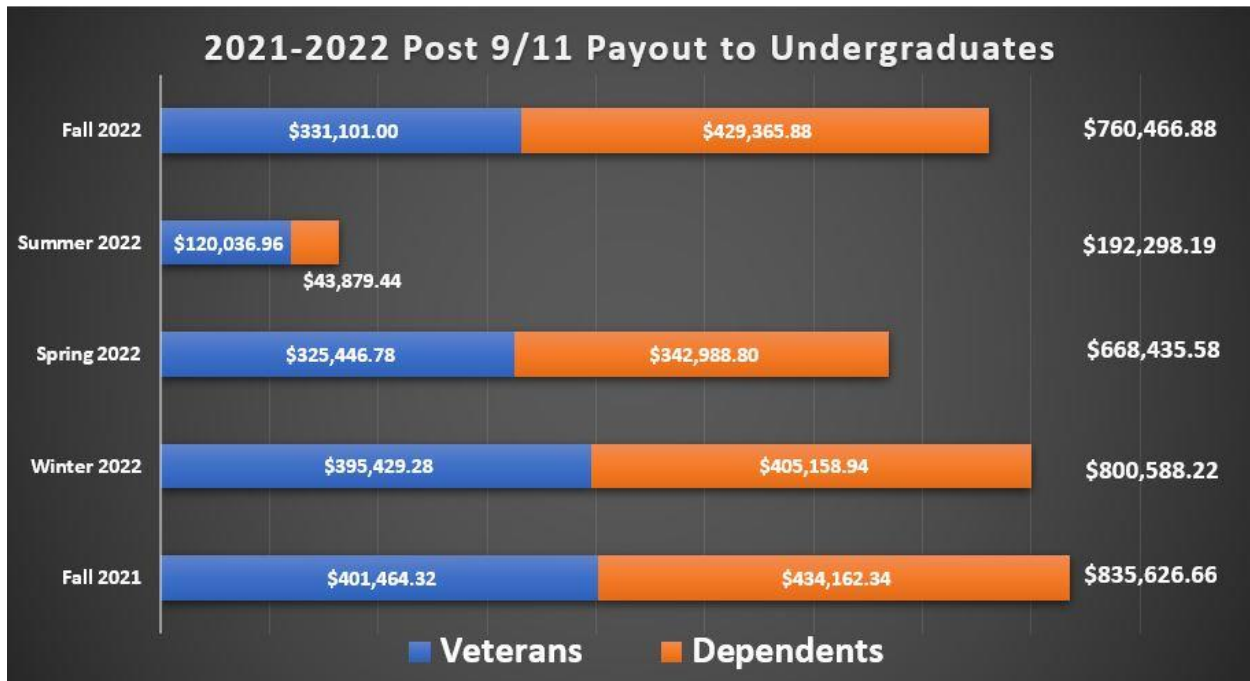


- Retention
 - Veterans: 93%
 - Dependents: 87%
- First Generation Students



Financial Support for Veterans and Dependents

Below is a chart depicting the Veterans Administration payments issued to the University on behalf of veterans and their family members. It is broken down by quarter and by veteran and dependent status.





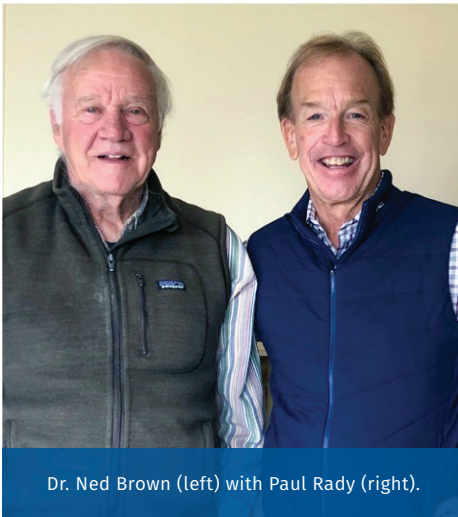
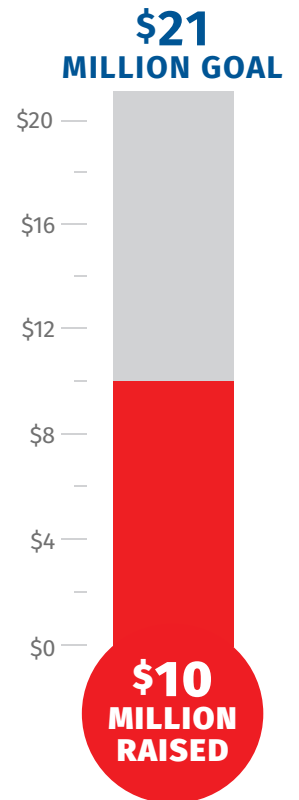
UNIVERSITY ADVANCEMENT REPORT DECEMBER 2022

FUNDRAISING TO DATE

As of November 29, \$10 million has been raised toward our overall goal of \$21 million by June 30, 2022.

In October, Western received its second largest cash gift in University history. Paul Rady, a 1980 Master’s in Geology graduate, contributed \$5 million: \$2 million to establish the Ned Brown Endowed Chair in Geology; and \$3 million to fund the Paul Rady Geoscience Graduate Fellows Program.

The Geology graduate program is celebrating its 50th year as a degree-granting program, and over that time has established and distinguished itself as one of the premier Master’s granting programs in the region. The vitality of this graduate program is also one of the important factors in attracting and retaining a quality faculty to the WWU Geology Department; most of our present faculty chose Western because of its strong MS program.



Dr. Ned Brown (left) with Paul Rady (right).

Dr. Ned Brown was a faculty member in Western’s geology program in 1978. Western was Paul’s graduate school of choice because of Dr. Brown’s reputation as a world expert in plate tectonics, convergent margins and blueschist facies metamorphism. Dr. Brown offered Paul a teaching assistantship that made the program affordable and in 1980, Paul graduated with his master’s degree. Over the two years, Paul and Ned worked closely on field trips and in the labs and formed a lasting bond. To show his appreciation to Ned, Paul has established an endowed faculty chair position in Ned’s name to forever honor the professor who taught him so much. This is the first endowed faculty chair at Western. The faculty member

holding the Ned Brown Chair will conduct research in tectonics, economic geology and allied fields and could support that faculty’s students in their research.

The Paul Rady Geosciences Graduate Fellows Program will place Western as a national leader in the study of tectonic processes and their petrological signatures. It will provide support for selected graduate students including resources to fund travel, research stipends, costs associated with analytical support for geochronology and geochemistry and support for graduate student thesis completion work. The fund will also provide a combination of tuition and administrative fee support and teaching assistantships – like the one Paul received four decades ago.

BY THE NUMBERS

Fall is a special time for WWU Alumni & Friends! On September 25, the WWU Alumni Association invited alumni and friends to gather in Seattle for a Seahawks game. We had **62 alumni** register for the event. In August and September, we held the second Viking 5k and had a total of **133 participants, raising \$4,387** toward the WWU Alumni Student Scholarship fund. Since October 1, we've had **18 Western Engaged events** with **2,867 registrations engaging 12 campus partners**. Last week, we hosted an alumni event in NYC, with **7 very engaged alumni** who want to start a chapter!



Associate director of student/alumni engagement Daryn Petterson attended the women's soccer game on Saturday, November 19 with lots of Western swag for attendees.



WWU Marketing alumni and students gathered at 24 Seven Talent in Seattle.

On Friday, November 18, current WWU Alumni Board member Nabeel Chowdhury ('12) hosted the Marketing Career Launch at his business, 24 Seven Talent, in Seattle. While primarily for WWU Marketing students to engage with notable marketing alumni, the keynote speaker was Chris Witherspoon ('94), former WWU Foundation Board Member, WWU Alumni Board president and current Trustee. Later in the afternoon, the WWU Alumni Association and WWU Marketing held a happy hour social for Marketing alumni that had over 120 registrants!



Capital Program Report

Board of Trustees

December 9, 2022

MAJOR / INTERMEDIATE CAPITAL PROJECTS

Interdisciplinary Science Building (ISB) Tenant Improvements

This project completed construction of four rooms (two labs and two lab support spaces) on the fourth floor of the new Interdisciplinary Science Building (ISB) that were built as shelled space under the primary ISB contract. The consultant for this project is Perkins&Will and the contractor is Regency NW Construction. The work started on January 3, 2022 and is now operational. Additional work on the AV system will occur in December 2022.

Electrical Engineering and Computer Science

Western is working with Perkins&Will, the design consultant, and Mortenson Company, the GC/CM contractor. The design consultant completed the 100% Construction Documents and submitted a second round of permit comments from the City of Bellingham. The project is in the bidding phase and Mortenson Company is scheduled to receive the bids December 13, 14 and 15 with the remaining portions of the construction contract brought to the February 2023 Board meeting for approval. The displacement parking phase of the project that constructed the parking along the Wade King Access Road was completed in October 2022. The building is scheduled for occupancy in late Fall 2024.

Birnam Wood Siding & Bridges PH 1

This project will replace the bridges and siding at stacks 3 and 4, along with windows and siding on the Community Building at Birnam Wood. A design contract has been executed with Cornerstone Architectural Group. The project bid in October 2022 and is at the Board of Trustees in December 2022 for approval of a construction contract.

Science, Math & Technology Education Building (SMATE) Envelope Remediation

This project will provide the following improvements at the Science, Math, and Technology Education Building (SMATE): replace the roofing, repair leak in the south façade, and seal and repair the masonry. A design contract has been executed with HKP Architects, a women-owned certified business. The project bid in October 2022 and is at the Board of Trustees in December 2022 for approval of a construction contract.

Fairhaven Recording Studio

This project will create a recording studio adjacent to the lobby of the Fairhaven Academic Building. The project is currently in design with Architecture for Everyone, a MBE, as the prime consultant, targeting the April 2023 Board of Trustees for construction contract approval, and a Fall 2023 opening.

Multiple Building (MB) University Residences (UR) Access Controls & Telecom

This project will provide new access controls to existing doors and new telecom room power receptacles in multiple University Residences buildings across campus. The project was awarded to Valley Electric and construction began June 2022 and is scheduled to complete in Winter of 2023.

MB Security, Access Controls, and Fiber Upgrades

This project will provide new security and access controls to multiple academic buildings and upgrade the fiber backbone cables connecting campus telecom. It is currently in design with Hargis Engineers and is scheduled to advertise for bid in December 2022.

2023-2025 Capital Budget

The Capital Planning Advisory Committee, Sub-Committees, Working Group and Vice Presidents have created the 2023-2025 Capital Request and Ten-Year Capital Plan (Plan). The Draft Plan was presented to the Board of Trustees at the April 2022 meeting. The final version of the Plan was presented to the Board in June, where the portion of the Plan that pertains to State-funded projects was approved and comments were taken on the non-State projects.

The project proposals were submitted to the Office of Financial Management (OFM) in August. The Ten-Year Capital Plan and Two-Year Capital Request was submitted to OFM in September. The Governor's proposed capital budget is anticipated to be released in mid-December 2022 and the Senate and House are anticipated to release their proposed capital budgets in Spring 2023.

For more information regarding the process and development of the Plan, please visit the following website: [2023-25 Capital Budget Request | Capital Planning and Development \(www.wvu.edu\)](https://www.wvu.edu/2023-25-Capital-Budget-Request).

**WESTERN WASHINGTON UNIVERSITY
ITEM SUBMITTED TO THE BOARD OF TRUSTEES**

TO: Members of the Board of Trustees

FROM: President Sabah Randhawa by Donna Gibbs, V.P. for University Relations & Marketing

DATE: December 8, 2022

SUBJECT: **University Relations and Marketing Report**

PURPOSE: Information Item

Purpose of Submittal:

A written report is provided on the recent activities of University Relations and Marketing.

Supporting Information:

Report Attached

WESTERN WASHINGTON UNIVERSITY

OFFICE OF THE VICE PRESIDENT FOR UNIVERSITY RELATIONS AND MARKETING

New leadership on the University Communications, University Marketing & Brand Strategy, and Visual Media Production teams continue to make outstanding progress and contributions in modernizing and accelerating our earned and paid media efforts.

In UComm, we are very pleased to have launched the [first truly interactive digital edition](#) of Window Magazine that showcases the amazing stories, sights and even the sounds of Ecuador and the Galapagos as experienced by a group of students and faculty from Western's Honors College. And we are thrilled that our partners in University Advancement have sent the edition, for the first time ever, to the entire alumni and donor database.

Also, of note in UComm, our efforts to more actively curate our key organic social media platforms is bearing great fruit: The university's main LinkedIn channel now has more than 100,000 followers and a more than 400% increase in the number of personal accounts interacting with our posts during the months of September and October. The team has also redoubled efforts on proactive earned media outreach beyond our immediate community media and those efforts, too, are paying off. We expect that work to accelerate even more as we add another new team member focused on external media relations and analytics in the new calendar year.

In University Marketing, we are again grateful to the WWU Foundation for making another commitment of \$150,000 to fund our digital recruitment advertising campaigns, which brings our total spend for FY23 to \$500,000. We expect this will go a long way in improving our double-digit decrease in impressions and marketing conversions in September and October. Despite the decline in ad performance, Admissions has nonetheless reported a healthy year-over-year increase in undergraduate applications and requests for information.

The University Marketing team has also been engaged with colleagues in the Graduate School and Outreach & Continuing Education to lay the groundwork for eventual dedicated paid recruitment campaigns pending the results of our legislative ask for increased funding to support new and expanded graduate programs and new funding to support expansion at Western on the Peninsulas. In both cases we are building out marketing landing pages with clear calls to action and embedded request forms tied to divisional CRMs and updating and optimizing content on key web pages for both areas.

As the University Advancement team prepares to launch a comprehensive fundraising campaign in the coming year, we look forward to taking what we've learned with Admissions to work closely with them to design digital engagement campaigns that can enhance their other marketing and outreach efforts including email, direct mail, student calling and even perhaps out-of-home advertising in metro Seattle. The goal is a multilayered campaign to ensure WWU is readily visible as a destination for philanthropy and engagement wherever our alumni and donors are online.

UNIVERSITY COMMUNICATIONS

The Office of University Communications continues to build on its proactive public relations approach and develop a new WWU communications strategy, anchored around the university's strategic goals and new core messaging. The team also continues to work on modernizing and amplifying University Communications channels, including Western Today, Window Magazine and its four primary social media channels. Targeted reader surveys are being conducted through fall quarter, and channel and publication performance analytics are being further developed.

A platform of note is WWU's LinkedIn account, where we've pivoted from job listings with occasional feature posts to a strategic approach that shares high-quality storytelling appealing to our current campus community and alumni alike. Content includes long-form stories and thought leadership content on issues of interest to business and industry, and which are core to Western's strategic goals and academic areas targeted for growth. In addition, we prioritize photos and videos that activate a sense of nostalgia and celebrate WWU's unique "sense of place". This strategy is paying off as our LinkedIn account has recorded a more than 400% organic (unpaid) increase in the number of personal accounts seeing and interacting with our posts, accelerated audience growth (our current followership is nearly 101,000), and engagement rates on some posts exceeding 10%.

Commented [DG1]: Over what period of time?

Earned media

Proactively pitched earned media coverage is any organization's best defense against negative coverage and crises. Pitched stories in the months of September and October include new WWU research on the presence of [toxic seaweed](#) in Puget Sound, WWU's [record-breaking first-year cohort](#), [demystifying rank choice voting](#), new WWU research on [the evolution of pregnancy](#), [attitudes toward reproductive health](#), WWU's expertise in wildfires pitched in connection to the Bolt Creek fire, tips for campus communities on cybersecurity, and WWU's presence at the annual Cascadia Innovation Corridor meeting with Bill Gates, former Governor Gregoire and other thought leaders. Within this reporting period, the team has pitched Reuters, BBC, Geekwire, [US News & World Report](#), The Seattle Times, King 5 TV, The Stranger, The Portland Mercury, LA Weekly, Kitsap Sun, The Spokesman Review, Moscow-Pullman Daily News, and local publications.

Social media

In addition to LinkedIn's strong performance, the start of the new academic year has brought fresh life and attention to our university social media accounts on Facebook, Instagram, Twitter and Tiktok, with peak activity on Facebook coinciding with move-in weekend, the first day of school, and Fall Family Weekend. It was important to help new and returning students build their connection to Western's campus via informative posts about campus resources, events coverage for Western Welcome and beyond, photos taken by Luke Hollister that instill a sense of pride in place, and stories about students and faculty that highlight academic achievements at Western. These are themes that we continue to build on with our accounts in support of our overall communications strategy.

Publications

The team is delighted with the most recent edition of Window magazine, featuring gorgeous stories and photos about the Honors College's study abroad program in Ecuador. For the first time, we have created a fully immersive digital edition of the magazine that takes the story even further with a collection of photos, videos and even a sound clip from the Amazon jungle. Working closely with our colleagues in WebTech and Visual Media Production, we plan to create more multimedia projects like this in Window magazine in issues to come.

Our 2022 President's Annual Report has also returned from the printer and will be delivered soon by our partners in University Advancement, featuring stories about Western's progress toward our Strategic Plan goals as well as profiles highlighting the impact of philanthropy at Western.

OFFICE OF UNIVERSITY
COMMUNICATIONS



METRICS DASHBOARD

SEPTEMBER – OCTOBER 2022

WESTERN TODAY

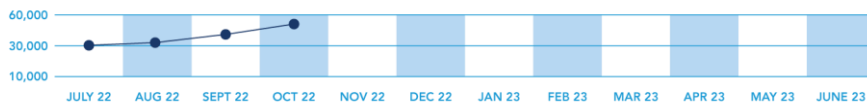
Total Sessions

September 40,304

October 52,807

Top Stories

- Campus will be a busy place on Friday, Oct. 21 – [Link](#)
- CFPA to stage re-imagining of 'Romeo & Juliet' Oct. 14-16 in the Performing Arts Center – [Link](#)
- Meet JoeHahn, the new director of LGBTQ+ Western – [Link](#)



SOCIAL MEDIA

Twitter

Facebook

Instagram

LinkedIn

STATISTICS AT A GLANCE

Twitter	Facebook	Instagram	LinkedIn
22,573 Total audience	52,692 Total audience	28,213 Total audience	100,638 Total audience
-2% Audience growth	1.4% Audience growth	3.4% Audience growth	1.1% Audience growth
234% Organic impressions growth	102% Organic impressions growth	95.2% Organic impressions growth	418% Organic impressions growth
2.25% Engagement rate	4.02% Engagement rate	6.59% Engagement rate	5.69% Engagement rate

EXTERNAL MEDIA

Total Stories

September 682

October 832

Total 1,514

Top Stories

- Swinomish Tribe builds modern clam garden, reviving practice – [Associated Press](#)
- Green buildings get a boost in WA, but policy and demand still lag – [Seattle Times](#)
- What Colleges Look for: 6 Ways to Stand Out – [MSN News](#)



WINDOW MAGAZINE

Copies sent to USA addresses: 134,483

Digital magazine users: 4,156

Top Content:

From the Amazon to the Galapagos: 434 views (average time: 2:51)

Class Notes: 259 views (33 seconds)

Window to a Solar Future: 155 views (45 seconds)

Look Up: 67 views (42 seconds)

Reforestation of the West: 66 views (29 seconds)

FAMILY CONNECTION NEWSLETTER

September

Sent: 8,169

Opened: 58.3 percent

Clicked: 9.9 percent

Top Content: On-Campus Move-In, West Fest, Taste of Bellingham, Fall Family Weekend, AS Outdoor Film, Downtown Parking Lot Party, Convocation

October

Sent: 8,162

Opened: 45.1 percent

Clicked: 2.4 percent

Top Content: Finals Care Packages, Making Connections, Class Registration, COVID Booster Clinic, Academic Advising

UNIVERSITY MARKETING & BRAND STRATEGY

The University Marketing team is a group of creative professionals dedicated to reaching Western Washington University's audiences through strategic marketing, branding and advertising. The team is responsible for advancing, managing, and protecting the Western brand, specifically with external audiences. In addition to leading institutional brand and marketing campaigns, Western's University Marketing team works collaboratively to support the marketing needs of our colleges, centers, institutes and administrative departments.

Digital Marketing

In September, Western renewed its paid marketing efforts focused on high school seniors, both in state and out of state. [A fast-paced anthem video](#) served as an introduction to Western Washington University and all its [unique academic programs](#) and student life offerings.

The video, as well as corresponding display and text ads, reached prospective students through a variety of channels, including video pre-roll, Snapchat, pay-per-click, and display retargeting. When an ad was clicked, prospective students were brought to www.western.edu/makewaves, where they could either start their application or submit a request for additional information.

OUTREACH



RETARGETING



SEPTEMBER 2022 AD SET PERFORMANCE	
Total Impressions	3,246,486
Total Clicks	11,728
Total Conversions (<i>applications, inquiries, in-platform leads</i>)	135

October 2022

In February 2022, Western told the story of the University's landmark solar window research, which involves faculty, students in several departments and a partnership with private industry. In October 2022, our paid efforts focused on the conclusion of this story: the installation of the energy-producing solar windows in the Western Gallery. The Visual Media team [produced a video](#) of the installation and interviews with the students and faculty involved, including recent alumnus Daniel Korus, '19, B.S. and '21, M.S., chemistry, who is a project manager at UbiQD, the Los Alamos, New Mexico-based company that licensed the technology. The video highlights Western's reputation for providing students with close faculty mentorship and hands-on research opportunities at the both the undergrad and graduate levels.

Like the www.wvu.edu/makewaves campaign, the October ad sets led to the campaign landing page, www.wvu.edu/makewaves, where prospective students were encouraged to either apply or request additional information.

OUTREACH



RETARGETING



OCTOBER 2022 AD SET PERFORMANCE	
Total Impressions	3,960,968
Total Clicks	15,792
Total Conversions (<i>applications, inquiries, in-platform leads</i>)	242

Year-Over-Year Performance

The budget for September and October 2022 was down approximately 40% from the same period in 2021. The budget cut resulted in a predictable decline in a number of the campaign performance indicators, including a 50.6% drop in total impressions and a 57% decrease in clicks. The University Marketing team is working closely with digital advertising partner Carnegie-Dartlet to regularly adjust and optimize the Western ads in order to ensure maximum performance within the confines of the reduced budget.

Despite the decline in ad performance, Admissions has reported a healthy year-over-year double digit increase in our most critical performance indicators: undergraduate applications and requests

for information. University Marketing staff is working with WebTech and Admissions to understand and build upon the pathways and behaviors that are contributing to the strong admissions response.

Landing Page and RFI Forms

While the ad creative plays a very visible role in the success of a campaign, it offers little insight on performance on its own. Each ad set should be paired with a set of desired actions and a landing page intentionally designed to drive a conversion action. The majority of the ads in the undergraduate recruitment campaign push to wwu.edu/makewaves, which is updated each month to include relevant reminders and videos.

Though Western is not currently running digital ads on behalf of the Graduate School and Western on the Peninsulas, we are actively laying the groundwork for future campaigns with their unique audiences. The University Marketing, Web Tech, and Admissions teams are working with the Graduate School and Western on the Peninsulas staff to build and optimize their landing pages for use with a variety of future campaigns. These pages will feature prominent request for information forms, allowing for improved campaign performance tracking and seamless integration with our email marketing systems.

Brand Management and Creative Services

In addition to providing the creative for campus-level campaigns, the University Marketing team works with academic and administrative teams across Western's various campuses and locations to manage the University's brand. This includes the development of design elements and ensuring adherence to Western's brand standards.

In September and October, the University Marketing team created brand identities and creative services for the following Western offices:

- Access, Diversity, Equity, and Inclusion Unit
- Center for Canadian American Studies
- College of Business and Economics
- Community Relations
- Graduate School
- Institute for Energy Studies
- LGBTQ+ Western
- Multicultural Student Services
- New Student Services/Family Outreach
- Outreach and Continuing Education
- President's Office
- Shannon Point Marine Center
- Small Business Development Center
- University Communications
- University Residences
- WWU Athletics

COMMUNITY RELATIONS

Indigenous Peoples' Day

Monday, October 10 was [Indigenous Peoples' Day](#). The director of Community Relations led a community-wide advisory team representing multiple partners including local tribes, higher education institutions, the City of Bellingham, Bellingham Public Schools and WWU to plan this year's event. 400 people from throughout Whatcom and Skagit Counties packed Whatcom Community College's Syre Center where they enjoyed a traditional salmon dinner and listened to keynote speakers Kendra Mylnechuk Potter and Brook Pepion Swaney, who screened their documentary, "Daughter of a Lost Bird," while sharing their experience of capturing Kendra's journey as she sought to reconnect

with her Lummi birth mother and the Lummi tribal community. The evening also included a customary tribal blessing and song and dance from the Westshore Canoe Family Singers.

Taste of Bellingham

Community Relations partnered with seven downtown Bellingham businesses for the second annual WWU Taste of Bellingham. Guests enjoyed a guided student tour of downtown Bellingham while sampling food from some of the community's most student-friendly and inclusive restaurants. Multiple tours were offered on three dates to different audiences. The October 6 tours were offered to new transfer students providing them with an opportunity to meet new friends. October 22 and 23 tours were offered during Fall Family Weekend as a special opportunity for families to spend time with their students. In all, 150 students and family members participated in six Taste of Bellingham tours helping students learn about their new community while contributing to downtown Bellingham's economic vitality.

Annual York Neighborhood Welcome Doorhangers

Community Relations partnered with the Office for Off Campus Living to deliver informative door hangers to 400 homes in the York Neighborhood. Each fall quarter, these door hangers welcome new residents to the neighborhood (most new residents are students) and provide tips on how to be a good neighbor while providing helpful resources. Both student renters and permanent residents appreciate this intentional outreach to their small, tight-knit historic neighborhood.

Contributing to Happy Valley Neighborhood Street Trees

Community Relations facilitated a partnership between WWU and the Happy Valley Neighborhood to plant trees in front of one of WWU's maintenance buildings located in the neighborhood. These trees will enhance the neighborhood and contribute to Happy Valley's goal of increasing their neighborhood tree canopy while enriching our relationship.

Martin Luther King, Jr. Day

The Director of Community Relations is facilitating a community-wide advisory team in planning the upcoming January 16 MLK Day event. The virtual speaker for this in-person event will be activist, singer, author and co-founder of the Black Voters Matter Fund [LaTosha Brown](#). More information about this event will be available at www.wvu.edu/mlk.

TRIBAL LIAISON

Planning

The planning and development for the Coast Salish-style longhouse project continues to make progress with meetings with the Longhouse Steering Committee, Tribal Relations Longhouse Planning and Elders Committee. They have met recently with Wellman & Zuck, Jones & Jones Architects, and Rolluda Architects to collaborate on a tentative model for the longhouse. This group is expected to meet monthly to accommodate several more work sessions for the longhouse planning process.

Events

The Tribal Liaison coordinated an initial blessing ceremony for the longhouse site with a small group so that the design-build team could perform some initial ground testing. An official "groundbreaking" will happen next year before construction begins.

To date, the University Advancement team and Tribal Liaison have secured \$615,000 in donations and pledges for the longhouse project, exceeding its goal of \$500,000. This month the Tribal Liaison has secured additional financial support from the Nooksack and Stillaguamish tribes of \$50,000. The Tribal Liaison continues to engage with several other tribes statewide for donations.

The Indigenous People's Day event on October 10 featured the documentary, "Daughter of a Lost Bird." The event was a collaborative effort with Northwest Indian College, Whatcom Community

College, Bellingham Technical College, PeaceHealth, Bellingham School District, Swinomish Education, and Children of The Setting Sun Productions. The screening was hosted by Whatcom Community College and attended by over 400 people. This event was a huge success!

Training

The Tribal Liaison maintains a monthly meeting with Human Resources to inform new Western employees regarding the operations of the Tribal Relations Office. This practice facilitates informing the university community of current activities and functions of the Tribal Relations Department.

Advisory Functions

The Tribal Liaison has begun the fall quarter as one of several advisors for the Native American Student Union (NASU). The group meets on a weekly basis, and this quarter engaged in several conversations with faculty from the department of Theatre and Dance within the College of Fine & Performing Arts and the Chief Diversity Officer to discuss concerns that NASU had about not being consulted nor engaged in [The Thanksgiving Play](#), a satirical comedy written by a Native American playwright. The result of these conversations was that the department decided to cancel the production. We hope that the result of these difficult conversations is a more collaborative approach in the future to engage Native and Indigenous students early in subject matter about them.

The Tribal Liaison also worked with University Communications on an opinion piece for the Seattle Times as the U.S. Supreme Court hears a challenge to the [Indian Child Welfare Act](#) enacted in 1972. We are hopeful that the Times will run the opinion before the Court issues a final ruling, expected this month.

Relationship-Building

In October the Tribal Liaison attended The Centennial Accord held at Tulalip, and also attended the Affiliated Tribes of Northwest Indians Education Committee. The committee presented the current initiatives undertaken by higher education institutions throughout the state including data collection of Native students and a proposal for tuition benefits for Native students, [similar to a program recently launched in the University of California system](#).

The Tribal Liaison also attended the Tribal Leaders & White House Summit on Indian Education Policy. The Tribal Liaison is a member of the Tribal Leaders Congress in Education for Washington state. This group meets quarterly on initiatives and policies regarding Indian education in Washington.

SMALL BUSINESS DEVELOPMENT CENTER

WWU SBDC BELLINGHAM Q3 HIGHLIGHTS

Businesses Served	Q3 2022	Q3 2021	YTD 2022
Business Counseling Received	168	205	361
SBDC Sponsored Training Participants	8	14	36
Research or Students Projects	1	3	3
Information or Resources Provided	80	17	183

Clients' Economic Impacts	Q3 2022	Q3 2021	YTD 2022
Capital Formation	\$4.7M	\$1.9M	\$11.2M
Business Starts	13	8	16
Jobs Created or Retained	337	363	623

Top Areas of Counseling: Start-up Assistance, Buy/Sell Business, Managing a Business, Financing/Capital, Human Resources/Managing Employees

Rolling 12-month Demographics

Top Industries: Retail, Service Establishments, Accomodation & Food Services, Health Care & Social Assistance, Manufacturing

Annualized Sales: \$174.9M

Jobs Supported: 2,147

Highlights

Multicultural and Bilingual Advising: Our newest team member, Dr. Liliana Deck, has been connecting with our local Spanish-speaking community and has also begun advising multilingual clients. As the word is spreading throughout Whatcom County, Dr. Deck's outreach efforts have proven effective and are reflected in the influx of new referrals. The welcome response from the trusted community leaders and the Latino Owned Businesses emphasizes the critical need for culturally competent Spanish-language advising and support.

Partnering with the WWU MBA Program: Our current MBA graduate assistant, Sean Wu, saw an opportunity to connect WWU MBA interns with current SBDC clients. By introducing the MBA intern pool to our clients, the SBDC facilitated a mutually beneficial service for students needing internship experiences and local businesses searching for talented employees.

Supporting New Entrepreneurs:

25 - number of Buy/Sell business clients served

69 - number of Start-up clients served

WWU SBDC Kitsap Q3 Highlights

Businesses Served	Q3 2022	Q3 2021	YTD 2022
Business Counseling Received	47	37	101
SBDC Sponsored Training Participants	9	5	10
Information or Resources Provided	14	6	25

Clients' Economic Impacts	Q3 2022	Q3 2021	YTD 2022
Capital Formation	\$9.4M	\$1.4M	\$11.65M
Business Starts	2	2	2
Jobs Created or Retained	69	38	131

Top Areas of Counseling: Start-up Assistance, Managing a Business, Financing/Capital, COVID-19 Financial/Capital, Buy/Sell Business

Rolling 12-Month Demographics

Top Industries: Retail, Service Establishments, Manufacturing, Accomodation & Food Services, Health Care & Social Assistance

Clients' Annualized Sales: \$63.3M

Jobs Supported: 453

Highlights

Farewells: Kevin Hoult, the Manager of Strategic Initiatives, retired on September 30. Starting with the SBDC in 2006, Kevin has been critical to the growth and development of our center and was the first advisor of the Kitsap branch of the WWU SBDC.

Jaime Forsyth, who has served as the business advisor in Kitsap since 2020, retired on September 8. As the primary advisor in Kitsap County, Jaime assisted 274 small businesses and helped 38 clients raise more than \$15 million in business loans, grants, and COVID-19 assistance.

VISUAL MEDIA PRODUCTION

WWU Honors Ecuador & Galapagos Study Abroad Program is a recent project URM captured in July, 2022. Over 23,000 images and video clips were captured through the 19-day trip. [The images, videos, and storytelling](#) became the basis for WWU's first truly interactive digital Window magazine edition. The project will continue with a recruitment marketing video about the journey, through interviews with the faculty and students entering production this month.

Building an interview studio in Old Main Creative Services Suite. This will be a flexible space and have many uses, including staging for still photography, video interviews, and audio/podcast capture. It will use a lot of pre-existing resources as well, significantly mitigating the financial impact of building a new custom-made studio space. This process is now underway and is expected to be fully online this month.

WWU's Newest Authorized Drone Pilot

Visual Journalist Luke Hollister recently undertook the FAA 107 certification and passed with high marks and is now authorized to fly all commercial grade drones on behalf of WWU. This allows us to capture video material that we would otherwise have to contract with an external vendor to secure.

Digitizing WWU's past... in 8mm and 16mm films!

For an upcoming project about the history of Title IX at Western, we began searching for and digitizing vintage film reels of the past at Western. We have been experimenting with how to efficiently digitize it and were able to utilize two projectors from the CFPA Art Annex.

Projects Recently Completed:

- [Student Spotlight: Dani Iwami](#)
[Indigenous Peoples Day Recap](#)
[Veteran's Day](#)
- [International Education Week](#)
[Audit & Consulting Services Video](#)
[Honors Program: Ecuador & Galápagos Clips 1](#)
- [Honors Program: Ecuador & Galápagos Clips 2](#)
- [Honors Program: Ecuador & Galápagos Clips 3](#)
- [Honors Program: Ecuador & Galápagos Clips 4](#)
- [Honors Program: Ecuador & Galápagos Clips 5](#)
- "Western Recap" a new, short social media video series of recent events on campus & community
[State of the University "Western Recap"](#)
[Windy Day "Western Recap"](#)
- [Convocation "Western Recap"](#)
- [Info Fair "Western Recap"](#)
- [Downtown Party "Western Recap"](#)
[Move In! "Western Recap"](#)
- [WestFest "Western Recap"](#)
[Family Newsletter Welcome](#)

- [Solar Window Campus Install Vignette](#)

Projects in post-production:

Title IX: 50 Years Later Interview Retrospective (in association with WWU Athletics)
[WWU Honors Ecuador & Galapaqos Program](#)

Projects in production or about to begin:

- "Less than :60" Interesting, notable, novel short videos on a range of topics and university happenings for organic social media
- WWU Building Repository
- WWU 2023 Anthem Creation
- Sculpture Gardens Short Documentary
Documenting the planning and building of WWU's Longhouse
- MLK Day 2023 Motion Graphics

WASHINGTON CAMPUS COALITION FOR THE PUBLIC GOOD

Year Two Grant Allotment. The Corporation for National and Community Service has officially awarded funding for Year Two to Western Washington University/Washington Campus Coalition for the Public Good to support the **Campus Civic Leaders and Engagement Corps, an AmeriCorps program serving Washington and Idaho.** Total funds awarded for 8/1/21 – 7/31/24 will be \$3,663,035. Funding will support projects addressing the following issues:

- Academic success and engagement of underrepresented K-12 students
- Academic success and engagement of underrepresented college/university students
- Food security in higher education and communities
- Mental health in higher education and communities
- Environmental stewardship across Washington

Presidents Student Civic Leadership Awards. Washington Campus Coalition for the Public Good is excited to offer the 2023 Presidents Student Civic Leadership Awards. Presidents and chancellors from member institutions will have the opportunity to select two students to receive this recognition and represent their institutions at an awards ceremony in the spring. All student winners will be advanced for consideration for the Governor' Student Civic Leadership Award.

WEB COMMUNICATIONS TECHNOLOGIES

WebTech has continued to update websites hosted on legacy systems by moving them into the Drupal platform. The [Fellowships Office](#) worked closely with WebTech to provide updated content for their website. We believe it will help students access new avenues for funding their education. The [Child Development Center \(CDC\)](#) also has moved content into a new website. They continue to add content to make the site a richer experience for both current families and prospective families.

In June we shared that Window Magazine had a new digital home and the newest issue gave us a chance to collaborate closely with University Communications and Visual Media Productions to showcase the potential. The story, [From the Amazon to the Galapagos](#), showcases the new multi-media rich experience we hope to support moving forward.

We have also been spending significant effort preparing to migrate the 115 Drupal sites to PHP 8.1 for enhanced performance and security as well as setting the stage for an upgrade to Drupal 10 early in the new year. This has involved updating several servers, all the development and test sites,

and running tests against the systems to ensure the upgrade goes smoothly. The upgrade is planned to be complete prior to the end of November.

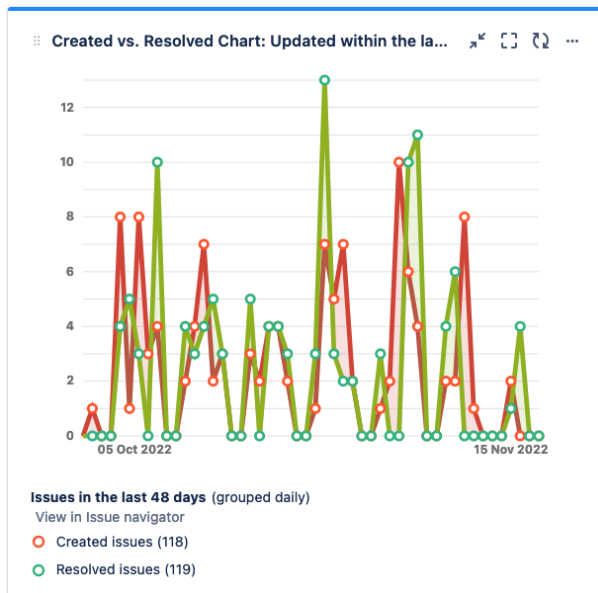
Work continues as well in providing digital accessibility support across the institution. Our recent focus has been on reducing the occurrence of Level A conformance violations as identified by our web governance software, Siteimprove. We are consistently conducting outreach to site editors to explain best practices and we have seen the overall number of occurrences begin to drop. In August there were 5,528 occurrences and we are now down to 3,067. These remaining occurrences we believe are largely in systems that we monitor but do not have direct control over; as such, we will be continuing to reach out to vendors and other system owners to explain the issues and work with them to have them resolved.

Web Traffic Analysis

Over the past few months, we have dialed in conversion tracking for action visitors take on any of the Western majors pages. These are the front door for prospective students interested in exploring specific academic disciplines offered at Western and drive a significant amount of traffic to the Admissions application portal. Over the past month a 5.2% increase in link clicks for the application has been recorded and clicks to related majors are up 8% as well as up 2% for related minors.

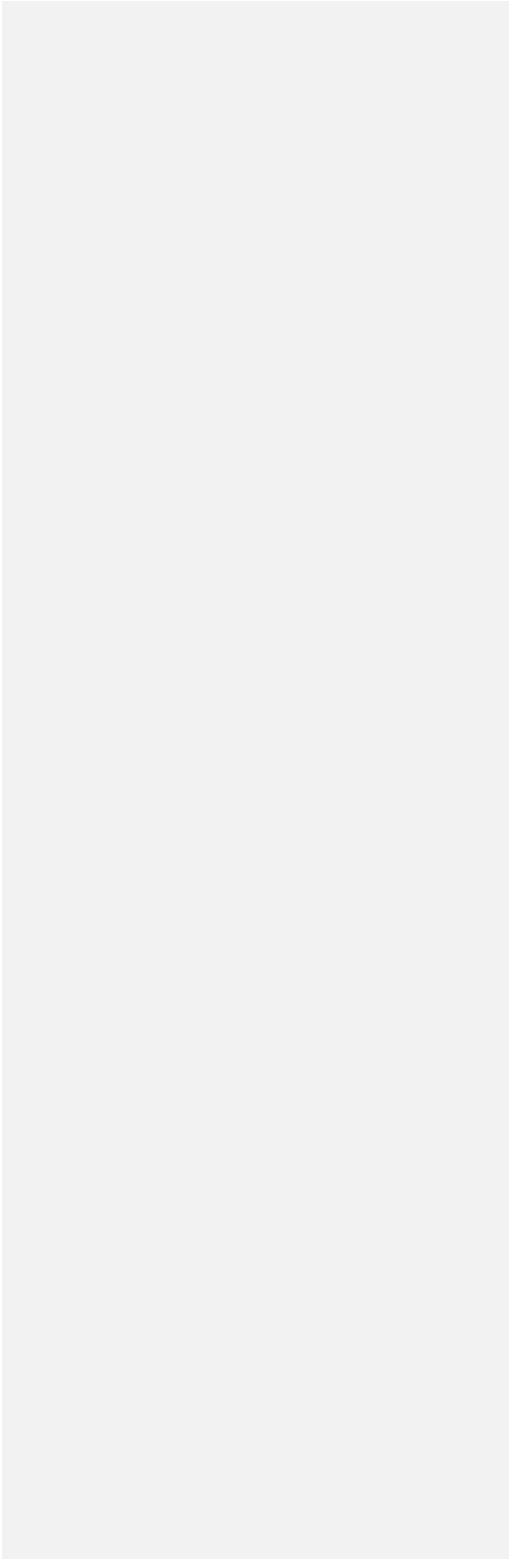
The digital advertising campaigns continue to drive significant new traffic to Western pages, accounting for 37.1% of new sessions over the past month. Each campaign is moving users into appropriate landing pages and experiences.

WebTech Workload



I am pleased to report an even mix of new issues compared to those we can close out. While this reporting period is slightly shorter than usual, the trend appears consistent. After the great increase from the start of the term we have also seen a reduction in email support requests, down from 589

emails to 462. We continue to provide content update support to units that have lost staff through COVID and the great resignation wave. Ideally, departments and colleges will continue to hire individuals with responsibilities for updating their own sites as they are much closer to the content and can provide improved context.





FINANCIAL REPORT

FISCAL YEAR 2022



MAKE WAVES.



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**Office of the Washington State Auditor
Pat McCarthy**

November 18, 2022

Board of Trustees
Western Washington University
Bellingham, Washington

Report on Financial Statements

We are issuing this report for inclusion in the University's annual comprehensive financial report package, which will be issued by the University under the University's own cover.

This report is in addition to our regular financial statement audit report, which will be available on our website and includes the University's basic financial statements.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.



**Office of the Washington State Auditor
Pat McCarthy**

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE
FINANCIAL STATEMENTS**

Board of Trustees
Western Washington University
Bellingham, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the business-type activities and the aggregate discretely presented component units of the Western Washington University as of and for the years then ended June 30, 2022 and 2021, 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, based on our audits and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of the Western Washington University, as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's 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.

Matters of Emphasis

As discussed in Note 1, the financial statements of the Western Washington University, an agency of the state of Washington, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the state of Washington that is attributable to the transactions of the University and its aggregate discretely presented component units. They do not purport to, and do not, present fairly the financial position of the state of Washington as of June 30, 2022 and 2021, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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.

We did not audit the financial statements of the Western Washington University Foundation (the Foundation), which represents 100 percent of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Foundation, is based solely on the report of the other auditors.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audits;
- 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 audits 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; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

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

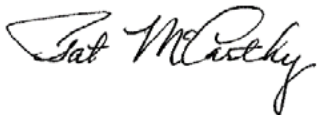
Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The President's Letter of Transmittal and the Board of Trustees and Administrative Officers are presented for the purposes of additional analysis and are not a required part of the basic financial statements of the University. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated November 18, 2022, 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 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 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.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

November 18, 2022

November 18, 2022

Dear Chair Meyer:

We are pleased to submit the Annual Financial Report of Western Washington University. The accounts of WWU are maintained in accordance with policies and regulations established by Washington State and its Office of Financial Management. This report has been prepared in accordance with generally accepted accounting principles and following the guidance of the Governmental Accounting Standards Board. The Management's discussion and analysis, located at the front of the financial section of this report, provides a narrative introduction overview, and analysis of the basic financial statement and I encourage you to spend time reviewing it.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.

The Washington State Auditors' Office has issued an unmodified (clean) opinion on the Western Washington University financial statement for the year ended June 30, 2022. This opinion is included in the independent auditor's report.

Since 1893, Western has educated students to explore widely, think critically, communicate clearly, and connect ideas creatively to address its most challenging needs, problems, and questions. Offering more than 200 academic programs on its main campus in Bellingham, Washington and seven satellite sites around the Puget Sound area, Western serves more than 15,000 students and has been the top master's-granting institution in the Pacific Northwest for 22 years. Western is small enough for one person to make a difference and large enough for that difference to have an impact.

Western is recognized nationally for its successes, from being named the top master's-granting institution in the Pacific Northwest for 22 years in a row by U.S. News & World Report — which also named WWU as one of the best public schools in the west for veterans — to its recognition as one of the most sustainable, green campuses in the nation by the Sierra Club. In 2021, Western became one of only seven universities — and the first in the Northwest — to have adopted the Okanagan Charter and joined the United States Health Promoting Campuses Network, which calls on higher education institutions to embed health into all aspects of campus culture and to lead health-promotion action and collaboration locally and globally.

Sincerely,



Sabah Randhawa
President



Joyce Lopes
Vice President for Business and Financial Affairs

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**as of Independent Auditors report*

OVERVIEW

The following discussion and analysis provides an overview of the financial position and activities of Western Washington University (WWU) for the years ended June 30, 2022 and 2021. This discussion has been prepared by management and should be read in conjunction with the financial statements and accompanying notes which follow this section.

WWU is one of six public, four-year institutions of higher education in the State of Washington. WWU is governed by a Board of eight Trustees, which has broad responsibilities to supervise, coordinate, manage and regulate WWU as provided by State law. Trustees are appointed by the Governor for a term of six years, except a student Trustee who is appointed to a one-year term.

As a comprehensive regional university, WWU offers undergraduate and graduate degrees in more than 200 academic programs on its main campus in Bellingham, Washington and seven satellite sites around the Puget Sound area and serves more than 15,000 students. WWU was established in 1893 and currently has over 16,000 full-time and part-time students in seven colleges and the graduate school. Western Washington University's main campus is situated on the ancestral homelands of the Coast Salish Peoples, who have lived in the Salish Sea basin, all throughout the San Juan Islands and the North Cascades watershed from time immemorial. We express our deepest respect and gratitude to our Indigenous neighbors, for their enduring care and protection of our shared lands and waterways.

COVID-19 PANDEMIC

The COVID-19 pandemic continues to affect many parts of the world, including the State and WWU. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 a national emergency. On February 29, 2020, Washington's Governor declared a state of emergency due to the number of confirmed cases of COVID-19 in the State, directing State agencies to use all resources necessary to prepare for and respond to the outbreak. The Governor has issued a series of proclamations designed to limit social interactions, including orders requiring or encouraging individuals, governments and businesses to take certain precautionary measures designed to prevent the spread of COVID-19. On March 23, 2020, the Governor issued a statewide "Stay Home, Stay Healthy" proclamation, requiring individuals to stay home except for essential activities, banning social and other gatherings, and closing all businesses with certain exceptions for essential businesses. In response to this proclamation, WWU moved to remote learning for Spring quarter of 2020 and continued into the 2020/2021 academic year. WWU returned to primarily in person learning during the 2021/2022 academic year.

To assist with increased COVID-19 related expenses, federal legislation was enacted that allowed the Department of Education (ED) to award federal COVID-19 relief grants with the Higher Education Emergency Relief Fund (HEERF) I, II and III. HEERF was made available from three separate federal legislations:

- CARES: Coronavirus Aid, Relief, and Economic Security Act (HEERF I)
- CRRSAA: Coronavirus Response and Relief Supplemental Appropriations Act (HEERF II)
- ARP: American Rescue Plan (HEERF III)

WWU was provided with a total of \$62.0 million in HEERF I, II, and III. Of the \$62.0 million, \$27.7 million were used to provide emergency financial aid grants to students for expenses related to the disruption of campus operations. The remaining \$34.3 million could be used to cover any costs associated with significant changes to the delivery of instruction. As of June 30, 2022, \$24.7 million has been spent on financial aid grants to students and \$32.3 million to reimburse WWU for allowable expenses and lost revenue.

The outbreak of COVID-19 was a significant event that continues to have effects on the finances, operations, and economy of the State and WWU. The impacts to the operations of WWU include, but are not limited to, enrollment, legislative and the economic impacts on the State budget.

Using the Financial Statement

WWU reports as a business-type activity as defined by Government Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*, as amended. GASB standards require that financial statements be presented on a consolidated basis. The financial statements, in conjunction with the Notes to the Financial Statements, provides a comprehensive way to assess WWU's financial health.

These financial statements include the following components:

- The Statement of Net Position presents the assets and deferred outflows of resources, liabilities and deferred inflows of resources and net position of WWU at a point in time (June 30). Their purpose is to present a financial snapshot of WWU. This statement aids the reader in determining the assets available to continue WWU's operations, how much WWU owes to employees and vendors, whether WWU has any deferred outflows or inflows other than assets or liabilities and provides a picture of net position and its availability for expenditure by WWU.
- The Statement of Revenues, Expenses and Changes in Net Position presents the total revenues earned and expenses incurred by WWU for operating, non-operating and other related activities, during a period of time (the fiscal year ended June 30, 2022). Their purpose is to assess WWU's operating and non-operating activities.
- The Statement of Cash Flows presents additional information to support the financial statements. This statement identifies how much cash has been received or paid by WWU during its fiscal year. In addition, it discloses the sources (how the cash has been generated) and disbursement of cash (how the cash has been utilized).

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2021

Significant actions which occurred during the fiscal year include the following (discussed in further detail on the following pages):

- Issued \$16.0 million in Series 2022 revenue refunding bonds for the Wade King Recreation Center.
- Increased overall financial position by \$33.4 million, primarily due to increased operating revenues generated as the COVID-19 pandemic wanes combined with a change in DRS pension reporting and additional HEERF revenue.
- Completed two buildings – Alma Clark Glass residence hall and Interdisciplinary Sciences Building totaling \$127.3 million.

Statement of Net Position

The Statement of Net Position presents the financial condition of WWU at the end of the last two fiscal years and reports all assets, deferred outflows, liabilities, deferred inflows and net position of WWU.

A summarized comparison of WWU's assets, deferred outflows, liabilities, deferred inflows and net position as of June 30, 2022, 2021 and 2020, follows:

	2022	2021	2020
	(Dollars in thousands)		
Assets			
Current assets	\$81,145	\$118,276	\$104,840
Noncurrent assets	130,552	61,273	76,590
Capital assets, net	<u>565,432</u>	<u>561,872</u>	<u>500,000</u>
Total assets	<u>777,129</u>	<u>741,421</u>	<u>681,430</u>
Deferred outflows	40,119	38,091	29,248
Liabilities			
Current Liabilities	41,549	57,295	48,313
Noncurrent Liabilities	<u>292,873</u>	<u>302,236</u>	<u>305,602</u>
Total liabilities	<u>334,422</u>	<u>359,531</u>	<u>353,915</u>
Deferred inflows	<u>84,350</u>	<u>54,860</u>	<u>42,017</u>
Total net position	<u>\$398,476</u>	<u>\$365,121</u>	<u>\$314,746</u>

Assets

The primary components in the asset category are cash, investments, receivables and capital assets. Total assets increased by \$34.2 million (4.6%) in fiscal year (FY) 2022 and \$60.0 million (8.8%) in FY 2021.

Total Cash and Investments (see Notes 3 & 4) increased \$22.7 million during FY 2022 primarily due to increased revenue activity in Auxiliary Enterprises as the COVID-19 pandemic waned. Total Cash and Investments decreased \$31.7 million during FY 2021 primarily due to the Housing & Dining System spending most of the remaining bond proceeds on the new residence building. In FY 2020, WWU issued \$68.6 million in Series 2019 revenue bonds to fund a new residence building as well as major upgrades to certain Housing and Dining System residence halls. These bond proceeds were invested in both long and short-term restricted investments, with maturities matched to anticipated cash flow needs.

The allocation of unrestricted cash and investments between current and noncurrent is governed by the university's investment policy strategy, which is to maximize returns while ensuring liquidity needs and managing interest rate risk. In FY 2022, unrestricted cash and cash equivalents decreased \$4.5 million (-18.7%) and total unrestricted cash and investments increased by \$30.7 million. This change was partially due to a shifting of cash to unrestricted investments and increased operating spending. In FY 2021, unrestricted cash and cash equivalents increased \$4.3 million (21.4%) and total unrestricted cash and investments increased by \$6.5 million. This was primarily due to reducing expenses as a response to COVID-19, which out-paced the loss of revenues.

Non-depreciable and depreciable capital assets, net increased \$3.6 million (.6%) and \$61.9 million (12.4%) during FY 2022 and 2021, respectively, primarily due to construction work performed on the New Residence Hall and the Science Building Addition.

Non-current restricted net pension assets increased \$40.9 million (3666.5%) due to pension plans PRS 2/3, TRS 2/3 and LEF being fully funded and are reporting net assets rather than net liabilities.

Accounts receivable, net, decreased \$29.3 million (-70.2%) in FY 2022 and increased \$28.8 million during FY 2021. The decrease in FY 2022 is primarily due to relieving the receivable with the US Department of Education (ED) that was recorded during FY 2021. The increase in FY 2021 is largely due to WWU recording a receivable with the ED for its HEERF I, II and III funds, primarily used to reimburse \$29.6 million in lost revenues due to COVID-19.

Pledged gift receivable increased \$1.5 million during FY 2022 due to guaranteed commitment from the Foundation to help fund the Kaiser Borsari electrical engineering and computer science building. This building will house the growing WWU programs in electrical engineering, computer science and energy science.

Liabilities

Current liabilities typically fluctuate depending on the timing of accounts payable (A/P) payments and the receipt of deposits and revenue that is applicable to the next fiscal year.

Current liabilities decreased \$15.6 million (-27.3%) during FY 2022 primarily due to a decrease in unearned revenue combined with an increase in current portion of bonds and notes payable. The FY 2022 decrease in unearned revenue is related to the recognition of the FY 2021 HEERF revenue. Due to revenue recognition timing requirements with HEERF, WWU was required to record \$16.1 million of its HEERF III award as unearned revenue. Current liabilities increased \$8.9 million (18.4%) primarily due to an increase in unearned revenue and capital related accounts payable offset by decreases in the current portions of bonds and pension payables. During FY 2021, an accounting method changed the total pension liability to a net pension liability (see Note 19). This change in accounting method removed the current portion. Also, the economic relief of the Series 2020 Refunding bonds postponed the FY 2022 debt service for the Housing and Dining System.

Noncurrent liabilities decreased \$9.5 million (-3.1%) during FY 2022 primarily due to the current portion of bonds and notes payable offset by changes in pension (see Note 19) and OPEB (see Note 20) reporting. Noncurrent liabilities decreased \$3.3 million (-1.1%) during FY 2021 primarily due to the accounting method change to pension reporting (see Note 19) offset by an increase in long term bonds and note payable from the Series 2020 Refunding bonds.

Net Position

The sum of assets and deferred outflows less liabilities and deferred inflows is net position. The change in net position measures whether the overall financial condition has improved or deteriorated during the year and is driven by the difference between revenues and expenses.

During FY 2022, total net position increased \$33.4 million (9.1%) primarily due to increases in Restricted Expendable and Unrestricted net positions, which is a result from a change in pension reporting and the ability to recognize unearned HEERF revenue from FY 2021 along with an overall increase in operating revenues. During FY 2021, total net position increased \$50.4 million (16.0%) primarily due to increases in net investments in capital assets and unrestricted net positions, offset by a decrease in expendable instruction and research. The increase in unrestricted is due to WWU drawing its available HEERF I, II, and III funds to offset lost revenue and allowable expense reimbursements. The decrease in expendable instruction is due to timing constraints on the HEERF revenue recognition. HEERF institutional revenue can only be recognized up to the amount of HEERF student revenue that has been recognized.

Net Investment in Capital Assets – WWU's total investments in property, plant equipment, and infrastructure, net of accumulated depreciation and outstanding debt obligations related to those capital assets.

Restricted:

- Pensions consists of net pension assets related to the defined benefit retirement plans that are legally or contractually restricted. Currently the net position in restricted pensions is due to the retirement plans PERS 2 & 3, TRS 2 & 3 and LEOFF. (See Note 19)
- Nonexpendable consists of funds on which the donor or other external party has imposed the restriction that the corpus is not available for expenditures but for investment purposes only.
- Expendable are resources which WWU is legally or contractually obligated to spend in accordance with time or purpose restrictions placed upon them by donors or other external parties.

Unrestricted – All remaining funds available to the institution for any purpose, although these are often internally designated for specific purposes.

WWU's net position as of June 30, 2022, 2021 and 2020 are summarized as follows:

	2022	2021	2020
	<i>(Dollars in thousands)</i>		
Net Position			
Net investment in capital assets	\$415,121	\$418,030	\$394,277
Restricted:			
Pensions	10,215	1,533	1,092
Nonexpendable	5,511	5,508	5,504
Expendable	22,143	8,299	24,345
Unrestricted	<u>(54,514)</u>	<u>(68,249)</u>	<u>(110,472)</u>
Total net position	<u>\$398,476</u>	<u>\$365,121</u>	<u>\$314,746</u>

Net investment in capital assets decreased slightly by \$2.9 million (-0.7%) during FY 2022 as fewer capital projects were under construction and bond principal payments were deferred. Net investment in capital assets increased \$23.8 million (6.0%) during FY 2021 primarily due to an overall increase in capital assets of \$86.9 million offset by \$25.1 million in depreciation and utilization of \$39.7 million of the series 2019 bonds. Also, during FY 2021, \$21.8 million in revenue refunding bonds were issued for the Housing and Dining System (the System). As a result of COVID-19's economic impact on the revenues generated by the System, refunding bonds were issued to restructure debt service payable on all or a portion of the System's Parity Bonds due from October 1, 2020, to October 1, 2022.

Highlights of fiscal 2022 capital asset activities:

- Completed the New Residence Hall
- Completed the Interdisciplinary Sciences building
- Kaiser Borsari Hall - \$3.3 million was spent during FY 2022

Restricted nonexpendable includes donations and matching State contributions for the purpose of establishing distinguished professorships and graduate fellowships.

Restricted expendable net position increased \$22.5 million during FY 2022 primarily due to increases of \$14.6 million and \$8.7 million in Instruction and Research and Net Pensions, respectively. WWU was able to recognize \$13.1 million of unearned HEERF revenue from FY 2021, which is included in Instruction and Research net position. Also, most of the pension plans managed by the Department of Retirement Systems (DRS) are fully funded. This funding change resulted in pension plans now having a restricted net pension asset rather than an unrestricted net pension liability (see Note 19). Restricted expendable net position decreased \$15.6 million during FY 2021, primarily due to a decrease of \$16.7 million in Instruction and Research net position. This decrease is attributable to the institutional portion of HEERF grants revenue recognition conditions. Revenue recognitions on the institutional portion is dependent on student aid disbursements because of minimal spending requirements. As such, WWU recorded unearned revenue of \$16.1 million from the institutional award.

Unrestricted net position increased \$13.7 million primarily due to the DRS pension plans funding change and increased revenues as the COVID-19 pandemic waned. Unrestricted net position increased \$42.2 million (38.2%) during FY 2021 primarily due to the drawing of institutional HEERF funds to offset lost revenue and reimbursement of allowable expenses combined with decreases in operating expenses and revenue.

Capital Assets and Related Debt

During FY 2022, WWU's Student Recreation Center issued \$15,950,000 million in revenue refunding bonds to refund all or a portion of its series 2012 revenue and refunding bonds for the purpose of debt service savings and to pay the costs of issuing the bonds. During FY 2021, WWU's Housing and Dining System (The System) issued \$21,760,000 in Series 2020 revenue refunding bonds. Proceeds of the Series 2020 Bonds was used to:

- (i) refund, refinance and restructure all or a portion of the debt service (principal and interest) that will be due and payable with respect to Outstanding Parity Bonds during the period from October 1, 2020, through and including October 1, 2022,
- (ii) capitalize interest on the Series 2020 Bonds; and
- (iii) pay costs of issuance of the Series 2020 bonds.

During FY 2022 and FY 2021, \$23.2 million and \$84.6 million (excluding library materials, equipment and improvements) respectively, were expended on capital improvements. Of the \$23.2 million in capital improvements during FY 2022, \$7.3 million was spent of the Housing and Dining residence building and \$12.1 million was spent on the Interdisciplinary Sciences building and \$2.5 million Kaiser Bosari building (See Note 9).

Specific projects completed or underway in FY 2022 include:

New Residence Hall. The \$63.2 million project is a 400-bed student housing facility that provides a modern signature living community. Housing and Dining's new residence hall connects the north side of campus to the Ridgeway community with an accessible, safe pedestrian passage within the hall. This project is funded with the Series 2019 revenue bonds and was substantially completed September of 2021.

Sciences Building Addition. The \$65.2 million Sciences Building Project is a new free-standing building at WWU's main campus. The building is a four-story Science, Technology, Engineering, and Math (STEM) building. The project is planned to be approximately 50,000 GSF to accommodate the demand for instructional and research space serving STEM education. It consists of teaching labs, wet research labs, and active learning spaces. The project is targeting the U.S. Green Building Council's Leadership in Energy & Environmental Design (LEED) for New Construction to achieve LEED Gold certification through the process of the Green Building Certification Institute (GBCI). This project was substantially completed in March of 2022.

Kaiser Borsair Hall. The estimated \$72 million building will be approximately 60,000 gross square feet that will enable growth in the STEM disciplines of Computer Science and Electrical & Computer Engineering. This building will consist primarily of teaching labs, learning research labs and active learning classrooms, as well as some academic administrative and collaborative spaces. This Building will also house the Institute for Energy Studies (IES), an interdisciplinary program that brings together science, technology, policy, business and economics to prepare graduates to address the complex issues in sustainable energy. Funding for this building will be \$53 million in state support combined with an additional gift from the Foundation. In FY 2022, WWU and the Foundation signed a Memorandum of Understanding in which the Foundation guaranteed \$14 million in funds already raised plus agreed to partner with the University in additional fundraising for a total guarantee of \$16.5 million for this building.

Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position present WWU's results of operating and non-operating items that result in the changes in net position for the year. In accordance with GASB reporting principles, revenues and expenses are classified as operating or non-operating.

A condensed comparison of WWU's revenues, expenses and changes in net position for the years ended June 30, 2022, 2021 and 2020 follows:

	2022	2021	2020
	<i>(Dollars in thousands)</i>		
Operating revenues	\$220,545	\$176,807	\$209,611
Operating expenses	<u>344,088</u>	<u>312,641</u>	<u>346,817</u>
Operating loss	(123,543)	(135,834)	(137,206)
State appropriations revenue	98,339	95,979	90,538
Other nonoperating revenues	41,814	41,626	24,963
Nonoperating expenses	<u>(3,894)</u>	<u>(42)</u>	<u>(5,469)</u>
(Loss) income before other revenues	12,716	1,729	(27,174)
Other revenues	<u>20,639</u>	<u>48,646</u>	<u>13,359</u>
Increase in net position	33,355	50,375	(13,815)
Net position, beginning of year	<u>365,121</u>	<u>314,746</u>	<u>328,561</u>
Net position, end of year	<u>\$398,476</u>	<u>\$365,121</u>	<u>\$314,746</u>

WWU relies heavily on student tuition and fees and state appropriations as revenue sources to support operations.

In accordance with the College Affordability Act of 2015, WWU has the authority to raise resident undergraduate tuition operating fees by the average annual percentage growth rate in the median hourly wage for Washington for the previous fourteen years as determined by the Federal Bureau of Labor Statistics. Tuition rates for nonresident undergraduate, resident graduate, and nonresident graduate students are set by the Board of Trustees after analyses of market constraints of supply and demand, and comparison costing with our peers. During FY 2022, WWU increased its tuition rates as follows (note – tuition operating fee does not include other mandatory student fees):

- Resident undergraduate tuition operating fees by 2.8%
- Non-resident undergraduate rates by 2.8%
- Graduate programs by 2.8%

Student tuition and fee revenue includes tuition fees and mandatory fees such as the Service and Activity Fee and the Health Service Fee. Total fees, including mandatory fees, increased \$7.8 million (5.4%) during FY 2022 due to the 2.8% increase to tuition combined with fully charging fees as the COVID-19 pandemic wanes and increases in non-resident students. Total fees, including mandatory fees, decreased \$8.6 million (-5.7%) during FY 2021 due to the continuation of the COVID-19 pandemic’s effect on enrollment. WWU provided \$34.8 million and \$37.4 million in scholarship allowances in FY 2022 and FY 2021 respectively to assist students with tuition. In FY 2022, net tuition revenue (student tuition and fees less scholarship allowances) increased \$10.4 million (9.8%) and decreased \$12.4 million (-10.3%) in FY 2021. Enrollment headcount decreased to an Academic Year Average (AYA) headcount of 16,079 in FY 2022 compared to 16,260 in FY 2021.

Graduate and Undergraduate Annual Tuition and Fees

Academic Year	Resident Undergraduate	Change	Resident Graduate	Change	Nonresident Undergraduate	Change	Nonresident Graduate	Change
2021-22	\$8,703	2.29%	\$12,490	2.44%	\$25,930	2.63%	\$24,737	2.62%
2020-21	\$8,508	2.00%	\$12,192	2.2%	\$25,266	2.3%	\$24,105	2.3%
2019-20	\$8,341	2.58%	\$11,935	4.3%	\$24,690	4.9%	\$23,558	4.4%

Historical Average Annual Enrollment

Academic Year	FTE Enrollment	Headcount Enrollment
*2021-22	12,767	16,079
2020-21	12,930	14,220
2019-20	14,004	15,208

* Change in how value is calculated

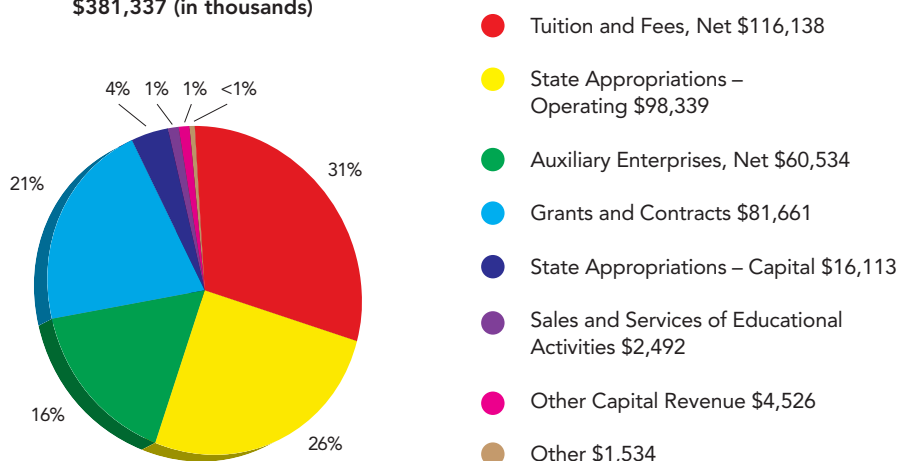
Auxiliary enterprises revenue (before scholarship allowances) increased \$38.4 million (121.3%) in FY 2022 and decreased \$25.8 million (-44.9%) during FY 2021. The FY 2022 increase is primarily due to the Housing and Dining System (The System) being fully opened and providing services to students as the COVID-19 pandemic subsided. The decrease in FY 2021 is related to WWU responding to COVID-19 pandemic by shifting instruction to remote learning for the entire FY 2021 academic year which had a negative effect on Auxiliary Enterprises.

During FY 2022, state (and capital) appropriations used in operations increased slightly by \$2.4 million (2.5%) primarily due to WWU receiving the remaining \$1.9 million in Governor’s Emergency Education Relief (GEER) funds, which is another tranche from the federal CRRSAA. The operating budget also carries forward state funding originally intended for salary increases in FY 2021 for faculty and staff. During FY 2021, state (and capital) appropriations used in operations increased \$5.4 million primarily due to the state providing WWU with \$5.5 million in GEER funds. Of the available \$5.5 million, WWU spent \$3.6 million.

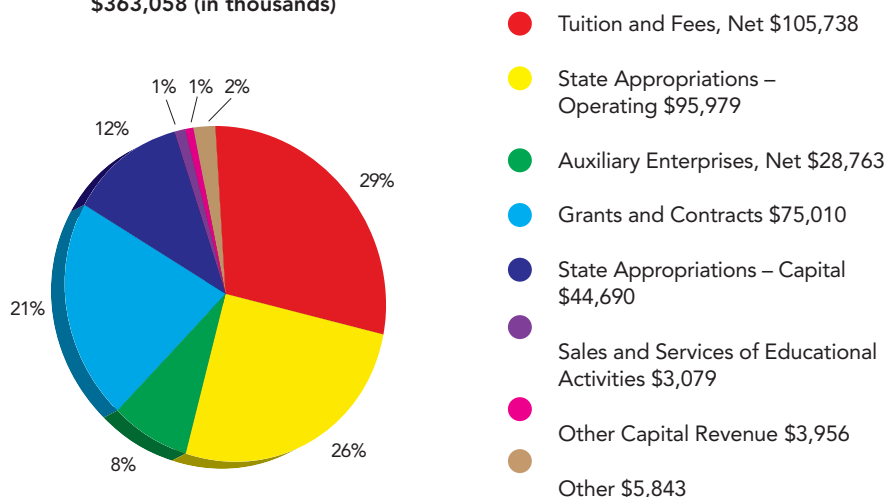
Capital appropriations are provided by the state and are recognized as other revenues when expenditures are incurred on capital projects by WWU. Capital appropriations decreased \$28.6 million (-63.9%) during FY 2022 as less state supported capital projects were under construction. During FY 2021, Capital appropriations increased \$34.2 million primarily due to the Interdisciplinary Sciences Building project.

The following graphs illustrate revenues by source for the years ended June 30, 2022, and 2021:

Total revenues by source for the year ended June 30, 2022
\$381,337 (in thousands)



Total revenues by source for the year ended June 30, 2021
\$363,058 (in thousands)



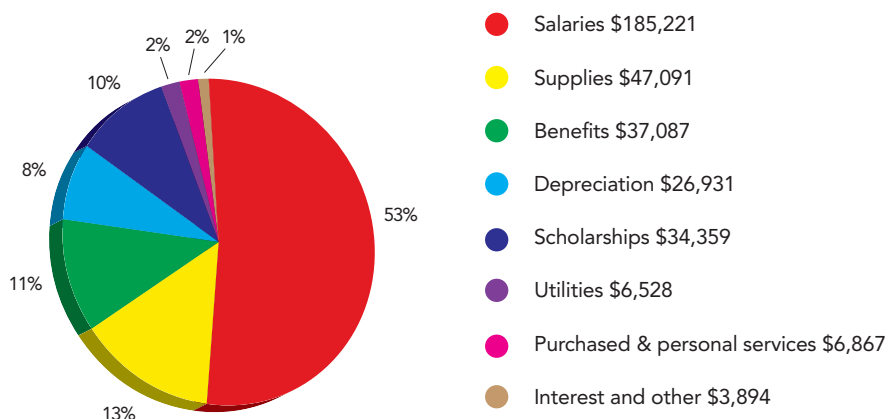
WWU's total operating expenses increased \$31.4 million (10.1%) as strategies implemented to mitigate the economic effects of COVID-19 were eliminated as the COVID-19 pandemic waned and WWU was able to return to in-person educational services to students. WWU's total operating expenses decreased \$34.2 million (-9.9%) during FY 2021 primarily due to strategies implemented to mitigate the economic effects of COVID-19 combined with an accounting change in reporting standards for pension benefits. During FY 2021, WWU continued with the spending freeze on goods and services, and travel.

During FY 2022, Salaries and wages increased \$12.7 million as all employees received wage and retroactive pay increases combined with an increase in student employees as that COVID-19 hiring freeze was lifted. Salaries and wages decreased in FY 2021 by \$5.2 million (-2.9%) due to the hiring freeze implemented and holding salaries at the FY 2020 salary levels in all groups, with the exception of classified staff, to offset the effects of the COVID-19 pandemic. During FY 2022, benefits expense decreased \$5.9 million (-13.6%) primarily due to decreases in pension and health insurance expenses offset by an increase in OPEB expenses. During FY 2021, benefits decreased \$10.2 million (-19.2%) primarily due to the change in accounting method for pension reporting.

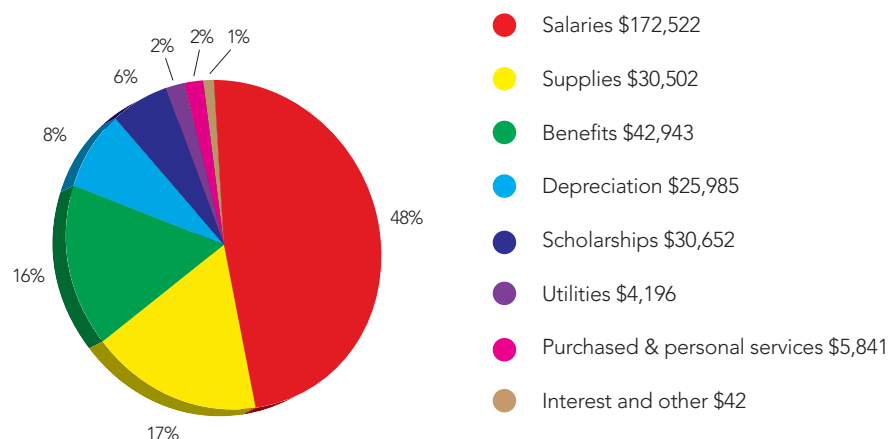
Supplies and materials increased \$16.6 million (54.4%) as cost saving strategies to offset the effects of COVID-19 were lifted. Primarily, cost of food services increased by \$9.5 million and travel restrictions were lifted which resulted in an increase of \$2.8 million. Supplies and materials decreased \$20.6 million during FY 2021 due to the continuation of the FY 2020 COVID-19 cost saving measures such as the renegotiation of the contract to provide food service, reduced repairs and maintenance, and travel restrictions.

The following graphs illustrate expenses by natural classification for the years ended June 30, 2022, and 2021:

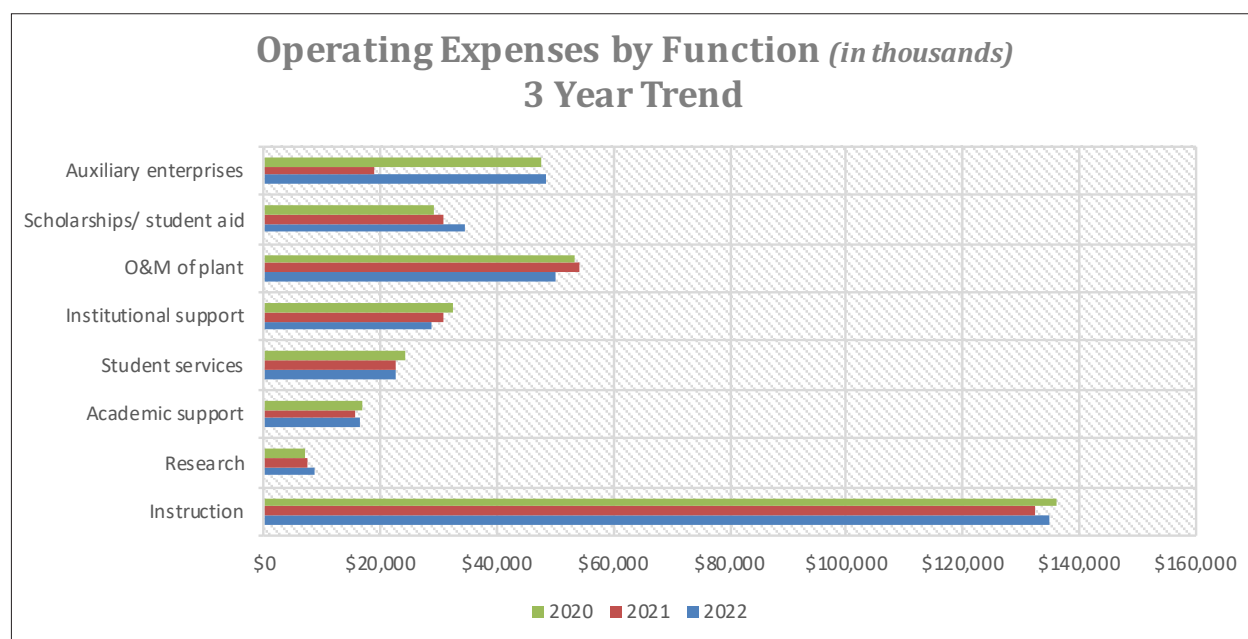
Total expenses by natural classification for the year ended June 30, 2022
\$347,978 (in thousands)



Total expenses by natural classification for the year ended June 30, 2021
\$312,683 (in thousands)



The following graph illustrates operating expenses by function for the years ended June 30, 2022, 2021, 2020:



Operating Loss

WWU’s operating loss of \$123.5 million in FY 2022 decreased by \$12.3 million (-9.1%) compared to FY 2021. The \$135.8 million operating loss in FY 2021 was a decrease of \$1.4 million (-1.0%) from the FY 2020 loss. GASB Statement No. 34 requires that State appropriations, Federal Pell grants and Federal COVID relief funds be classified as non-operating revenues, thereby creating the significant operating loss. If these revenues were classified as operating, the operating gain would have been \$1.7 million in FY 2022 and a loss of \$3.5 million in FY 2021.

Financial Indicators

To monitor financial health the University calculates a variety of indicators that focus on results of operations, which are largely driven by tuition pricing, state appropriations, and compensation levels. These financial indicators are useful for institutional trend analysis and become more meaningful when compared to peer institutions (not included here) such as those with the same debt rating, similar student population and degree offerings, or to industry norms. Factors that could affect these financial indicators are student enrollment levels, tuition pricing, issuance of new revenue debt, new leases, funding levels for state and federal financial aid, and state appropriations at levels to cover increasing operating costs. It is important to be aware of the impact that new accounting pronouncements have on many of these metrics. In many cases significant changes over prior years occur as a result.

Financial Indicator	Definition	Calculation	FY 2022	FY 2021	FY 2020
Tuition dependency ratio (%)	Helps measure sensitivity to changes in enrollment levels	Net tuition and fees plus governmental grants to WWU for student tuition divided by the sum of operating and non-operating revenues	36.29%	38.28%	41.21%
Unrestricted financial resources to operations (x)	Measures coverage of annual operations by the most liquid resources	Unrestricted net assets divided by total adjusted operating expenses	-0.16	0.05	-0.31
Current ratio 1	Measures liquidity - ability to meet current obligations with liquid assets. Target is 2.44	Current assets divided by current liabilities	2.44	2.41	2.60
Viability ratio	Measure the ability of WWU to repay debt with available financial resources. Target is 1:1	Expendable net position (excluding capital projects) divided by debt	-0.14	-0.26	-0.45
Primary reserve ratio	Compares WWU's existing financial resources to the size of it operating expenses. Target is 0.40X	Expendable net position (excluding capital projects) divided by total adjusted expenses.	-0.06	-0.14	-0.20
Return on Net Position	Indicates whether WWU is financially better off than in previous years by measuring total economic return. Target is 3% - 4%	Change in net position divided by total net position	3.82%	17.73%	-0.63%

1 Ratio based on Moody's analytical methodology

Economic Factors That Will Affect the Future

WWU students, faculty and staff will begin Fall quarter 2022 (FY 2023) on September 23, 2022, as close to “normal” operations when compared to FY 2021 and FY 2022 and is continuing to recover from the COVID-19 pandemic. Fall 2022 will have the largest freshmen class when compared to previous quarters; however, total headcount is down.

WWU is in the beginning phases of heating conversion study to reduce or eliminate the current heating system from steam distribution on its campus to a water-based system. WWU will be requesting capital appropriations in the amount of \$10 million during the FY 2023/2025 biennium from the state as well as reviewing other funding options. Total estimated cost of this project over all is \$149 million.

WWU will be submitting various decisions packages in the 2023-2025 Biennial Operating Budget Request. Included will be a request to fund various wage increases at a higher rate than previous years as well as an \$8 million to establish a robust four-year university campus on the Kitsap and Olympic Peninsulas that will build on current strengths and community partnerships to establish innovative new degree pathways aimed at meeting regional education and workforce needs. As a public university, WWU's ability to deliver its mission depends on our dedicated and talented workforce. With cost of living increasing more rapidly than tuition rates (capped by the state to ensure affordability), greater support is needed from the state to ensure we have the resources to recruit and retain highly qualified faculty and staff. Over the next ten years, WWU's goal is to dramatically increase student enrollments at WWU-Peninsulas through targeted outreach programs to create permanent and sustainable pathways to post-secondary credentials for high school students and working adults, innovative partnerships with Olympic and Peninsula Colleges and models of delivery focused on serving location-bound and underserved populations. WWU's 2025 Strategic Plan focuses on three core themes: Increasing Washington Impact, Advancing Inclusive Success, and Enhancing Academic Excellence. This request addresses each theme by expanding four-year academic opportunities to a historically underserved region and place-bound population.

Statement of Net Position

June 30, 2022 and 2021

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	\$19,590,221	\$24,110,290
Restricted cash and cash equivalents (Note 3)	4,330,150	5,576,359
Restricted investments (Note 4)	1,485,674	9,141,877
Investments (Note 4)	29,611,353	27,030,472
Funds with State Treasurer (Note 5)	7,694,417	7,241,868
Interest receivable	418,459	848,069
Accounts receivable, net (Note 6)	12,470,372	41,806,396
Pledged gift receivable from the Foundation (Note 24)	1,500,000	-
Prepaid expenses	2,120,704	822,930
Inventories (Note 8)	<u>1,924,042</u>	<u>1,698,174</u>
Total current assets	81,145,392	\$118,276,435
Noncurrent assets:		
Restricted cash and cash equivalents (Note 3)	1,279,876	2,915,355
Restricted investments (Note 4)	14,279,719	11,715,234
Investments (Note 4)	63,431,597	30,789,841
Due from State Treasurer	6,359,901	10,404,716
Student loans receivable, net (Note 7)	3,068,349	4,331,025
Non-depreciable capital assets (Note 9)	21,005,340	125,617,343
Depreciable capital assets, net (Note 9)	544,426,612	436,255,139
Restricted net pension	<u>42,055,250</u>	<u>1,116,555</u>
Other assets	77,216	-
Total noncurrent assets	<u>695,983,860</u>	<u>623,145,208</u>
Total assets	<u>777,129,252</u>	<u>\$741,421,643</u>
Deferred outflows		
Deferred loss on bond refunding	9,507,656	9,650,267
Relating to pension (Note 19)	20,201,326	17,243,297
Relating to OPEB (Note 20)	<u>10,409,829</u>	<u>11,197,261</u>
Total deferred outflows	<u>40,118,811</u>	<u>38,090,825</u>
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	20,519,210	27,986,092
Deposits payable	2,336,823	1,617,345
Unearned revenues	10,102,953	24,077,381
Current portion of bonds and notes payable (Notes 12,13,15)	6,655,880	1,594,770
Current portion of net pension obligations (Note 15,19)	-	-
Current portion of OPEB (Note 20)	1,706,951	1,688,984
Deposits held in custody for others	<u>226,907</u>	<u>212,897</u>
Total current liabilities	41,548,724	57,177,469
Noncurrent liabilities:		
Long-term portion of bonds and notes payable (Note 12, 13,15)	158,954,107	165,311,395
Compensated absences (Note 11)	12,152,406	12,270,908
Perkins Federal contribution refund	3,921,219	4,885,645
Long-term pension liabilities (Note 15,19)	19,328,084	25,551,646
Long-term OPEB liabilities (Note 20)	<u>98,516,888</u>	<u>94,334,455</u>
Total noncurrent liabilities	<u>292,872,704</u>	<u>302,354,049</u>
Total Liabilities	<u>334,421,428</u>	<u>359,531,518</u>
Deferred inflows		
Relating to bond refunding	5,537	477,939
Relating to pension (Note 19)	61,429,078	28,885,268
Relating to OPEB (Note 20)	<u>22,915,863</u>	<u>25,496,557</u>
Total deferred inflows	<u>84,350,478</u>	<u>54,859,764</u>
Net Position		
Net investment in capital assets	415,121,032	418,030,084
Restricted for:		
Nonexpendable: scholarships and professorships	5,511,053	5,507,680
Expendable:		
Instruction and research	(808,766)	(15,398,308)
Loans	6,608,729	6,820,404
Capital Projects	16,342,780	16,876,529
Net Pensions	10,215,172	1,533,354
Unrestricted	<u>(54,513,843)</u>	<u>(68,248,557)</u>
Total net position	<u>\$398,476,157</u>	<u>\$365,121,186</u>

Foundation Statement of Financial Position

June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	\$2,444,932	\$1,197,289
Unconditional promises to give, net	8,729,785	11,709,748
Accounts receivable and other assets	11,505	125,779
Investments:		
Operating investment pool	20,383,852	19,135,521
Endowment investment pool	106,200,113	120,473,748
Endowment real estate held for investment	3,632,900	3,579,610
Annuity and life income investments	611,299	746,672
Real property	<u>1,425,557</u>	<u>1,425,557</u>
Total investments	132,253,721	145,361,108
Property and equipment, net	<u>438,656</u>	<u>451,904</u>
Total Assets	<u>143,878,599</u>	<u>158,845,828</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	151,767	114,502
Due to Western Washington University	1,144,818	1,478,770
Commitment to Western Washington University	1,500,000	
Annuity and life income obligations	301,230	314,075
Deferred revenue from life estate	165,880	180,960
Investments held in trust for Western Washington University	<u>13,509,778</u>	<u>15,958,562</u>
Total Liabilities	16,773,473	18,046,869
Net Assets		
Without donor restrictions	26,342,032	32,602,813
With donor restrictions	100,763,094	108,196,146
Total Net Assets	<u>127,105,126</u>	<u>140,798,959</u>
Total Liabilities and Net Assets	<u>\$143,878,599</u>	<u>\$158,845,828</u>

Statements of Revenues, Expenses, and Changes in Net Position

For the Years Ended
June 30, 2022 and 2021

	2022	2021
Operating Revenues		
Student tuition and fees	\$150,897,976	\$143,130,085
Less scholarship allowances	<u>(34,760,015)</u>	<u>(37,391,711)</u>
Net student tuition and fees	116,137,961	105,738,374
Federal grants and contracts	7,787,797	6,753,920
State and local grants and contracts	27,365,677	26,810,043
Nongovernmental grants and contracts	5,598,059	5,120,416
Sales and services of educational activities	2,492,393	3,078,934
Interest earned on loans to students	149,741	171,543
Other operating revenue	479,481	371,469
Auxiliary enterprises	70,055,704	31,654,569
Less scholarship allowances	<u>(9,521,400)</u>	<u>(2,891,952)</u>
Net auxiliary enterprises	<u>60,534,304</u>	<u>28,762,617</u>
Total operating revenues	220,545,413	176,807,316
Operating Expenses		
Salaries and wages	185,221,220	172,522,302
Benefits	37,091,079	42,943,506
Scholarships and fellowships	34,359,051	30,651,683
Utilities	6,527,721	4,196,291
Supplies and materials	47,090,580	30,502,188
Purchased services	6,866,594	5,840,500
Depreciation	<u>26,931,420</u>	<u>25,984,636</u>
Total operating expenses	<u>344,087,665</u>	<u>312,641,106</u>
Operating loss	(123,542,252)	(135,833,790)
Nonoperating Revenues (Expenses)		
State appropriations	98,338,804	95,979,448
Federal Pell grant revenue	14,113,266	14,626,348
Federal COVID-19 relief revenue	26,795,277	21,700,007
Federal Perkins Program refundable grant revenue	-	-
Investment income	864,244	1,479,816
Interest on indebtedness	(2,099,436)	(41,947)
Gain (loss) on endowments	(1,794,786)	3,794,977
Nonoperating rental property expense/income	<u>40,822</u>	<u>23,794</u>
Total nonoperating revenues (expenses)	<u>136,258,191</u>	<u>137,562,443</u>
Income (Loss) before other revenues	12,715,939	1,728,653
Other Revenues		
Capital appropriations	16,113,282	44,689,905
Gift Revenue	2,379,429	707,634
Other capital revenue	<u>2,146,321</u>	<u>3,248,581</u>
Total other revenues	20,639,032	48,646,120
Increase/(Decrease) in net position	33,354,971	50,374,773
Net position, beginning of year	<u>365,121,186</u>	<u>314,746,413</u>
Net position, end of year	<u>\$398,476,157</u>	<u>\$365,121,186</u>

	Without Donor Restrictions	With Donor Restrictions	2022
Support and Revenue:			
Contributions	\$328,130	\$10,075,114	\$10,403,244
In-kind services and facilities provided by			
Western Washington University	3,605,204	-	3,605,204
In-kind contributions - other	336,417		
Interest and dividends	25,102	95,669	120,771
Net realized and unrealized losses on investments	(5,628,019)	(9,392,483)	(15,020,502)
Return on annuity and life income investments		(81,803)	(81,803)
Change in valuation of annuity and life income obligations		(35,303)	(35,303)
Administrative fees	1,600,690	-	1,600,690
Fundraising events and other	<u>100,652</u>	<u>428,709</u>	<u>529,361</u>
Total support and revenue before net assets released from restrictions	368,176	1,089,903	1,121,662
Net assets released from restrictions	<u>8,522,955</u>	<u>(8,522,955)</u>	
Total Support and Revenue	8,891,131	(7,433,052)	1,121,662
Expenses:			
Program services and grants	10,415,199		10,415,199
Management and general in-kind	1,812,648		1,812,648
Management and general - other	340,575		340,575
Fundraising - in-kind	1,792,556		1,792,556
Fundraising - other	<u>15,151,912</u>	<u> </u>	<u>790,934</u>
Total Expenses	<u>12,270,359</u>	<u> </u>	<u>15,151,912</u>
Change in Net Assets	(6,260,781)	(7,433,052)	(14,030,250)
Net Assets, beginning of year, restated	<u>32,602,813</u>	<u>108,196,146</u>	<u>140,798,959</u>
Net Assets, end of year	<u>\$26,342,032</u>	<u>\$100,763,094</u>	<u>\$126,768,709</u>

	Without Donor Restrictions	With Donor Restrictions	2021
Support and Revenue:			
Contributions	\$470,985	\$7,086,577	\$7,557,562
In-kind services and facilities provided by			
Western Washington University	3,448,275		3,448,275
Interest and dividends	16,996	76,020	93,016
Net realized and unrealized losses on investments	7,221,717	17,517,315	24,739,032
Return on annuity and life income investments	-	229,994	229,994
Change in valuation of annuity and life income obligations	-	155,220	155,220
Administrative fees	1,593,275	-	1,593,275
Fundraising events and other	<u>86,930</u>	<u>183,314</u>	<u>270,244</u>
Total support and revenue before net assets released from restrictions	12,838,178	25,248,440	38,086,618
Net assets released from restrictions	<u>7,185,148</u>	<u>(7,185,148)</u>	
Total Support and Revenue	20,023,326	18,063,292	38,086,618
Expenses:			
Program services and grants	7,555,815		7,555,815
Management and general in-kind	1,737,322		1,737,322
Management and general - other	337,145		337,145
Fundraising in-kind	1,710,953		1,710,953
Fundraising - other	<u>929,124</u>		<u>929,124</u>
Total Expenses	<u>12,270,359</u>		<u>12,270,359</u>
Change in Net Assets	7,752,967	18,063,292	25,816,259
Net Assets, beginning of year, restated	<u>24,849,846</u>	<u>90,132,854</u>	<u>114,982,700</u>
Net Assets, end of year	<u>\$32,602,813</u>	<u>\$108,196,146</u>	<u>\$140,798,959</u>

Statement of Cash Flows

For the Years Ended
June 30, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Student tuition and fees	\$101,927,434	\$120,291,948
Grants and contracts	39,964,783	38,023,217
Payments to vendors	(94,633,967)	(69,744,186)
Payments to employees for salaries and benefits	(241,202,687)	(221,239,170)
Loans issued to students	38,362	(99,786)
Collection of loans to students	1,290,906	1,167,072
Sales of auxiliary enterprises	60,511,282	31,256,959
Sales and services of educational activities	3,837,570	1,354,196
Interest received on loans to students	<u>629,222</u>	<u>543,012</u>
Net cash used by operating activities	(127,637,095)	(98,446,738)
Cash Flows from Noncapital Financing Activities		
State appropriations	100,107,405	92,703,176
Direct Lending proceeds	38,127,271	37,213,368
Direct Lending disbursements	(38,186,416)	(37,152,750)
Federal Pell grant receipts	14,113,266	14,626,348
Federal HEERF grant receipts	56,486,316	(7,081,957)
Federal Perkins grant disbursements	<u>(964,426)</u>	<u>(1,048,624)</u>
Net cash provided by noncapital financing activities	169,683,416	99,259,561
Cash Flows from Investing Activities		
Purchases of investments	(76,666,124)	(21,582,074)
Proceeds from sales of investments	44,680,686	60,175,101
Interest received on investments	<u>1,329,995</u>	<u>1,739,856</u>
Net cash (used)/provided by investing activities	(30,655,443)	40,332,883
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital debt	18,800,518	21,760,000
Interest earned on bond proceeds	23,595	401,274
Capital appropriations	18,389,496	43,460,835
Other capital (expense)/revenue	(452,549)	1,134,504
Contributions and gifts in-kind	3,025,750	3,956,215
Proceeds from disposal of capital assets	103,019	96,915
Purchases of capital assets	(37,149,817)	(85,007,352)
Principal paid on capital debt	(19,890,085)	(13,083,423)
Interest paid on capital debt	(1,683,384)	(10,559,816)
Other activities	<u>40,822</u>	<u>23,794</u>
Net cash provided/(used) by capital and related financing activities	(18,792,635)	(37,817,054)
Net increase in cash and cash equivalents	(7,401,757)	3,328,652
Cash and cash equivalents, beginning of year	<u>32,602,004</u>	<u>29,273,352</u>
Cash and cash equivalents, end of year	<u>\$25,200,247</u>	<u>\$32,602,004</u>

Statement of Cash Flows

For the Years Ended
June 30, 2022 and 2021

Reconciliation of Operating Loss to Net Cash used by Operating Activities

	2022	2021
Operating loss	(\$123,542,252)	(\$135,833,790)
Adjustments to reconcile operating loss to net cash used by operating activities		
Depreciation expense	26,931,420	25,984,636
Gain/Loss on disposal of capital assets	(71,719)	(96,915)
Changes in assets, liabilities and deferred outflows and inflows of resources:		
Accounts receivable	(355,016)	(36,704)
Student loans receivable	1,262,676	1,136,472
Inventories	(225,868)	634,233
Prepaid expenses	(1,297,774)	(147,096)
Accounts payable and accrued expenses	(1,868,927)	5,406,898
Unearned revenue	(13,974,428)	14,037,701
Student and other deposits	719,478	779,527
Deposits held in custody	73,155	(90,779)
Compensated absences	(118,502)	1,661,550
Pension and OPEB Related Deferred Outflows and Inflows of Resources	27,792,519	12,295,387
Pension assets/liabilities	(47,162,257)	(26,096,927)
Total OPEB liability	<u>4,200,400</u>	<u>1,919,069</u>
Net cash used by operating activities	<u>(\$127,637,095)</u>	<u>(\$98,446,738)</u>
Supplemental disclosure of cash flow information		
Acquisition of capital assets through accounts payable	<u>\$1,438,682</u>	<u>\$8,058,395</u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Western Washington University (WWU) is a comprehensive, degree granting public university in the State of Washington. It is governed by a Board of eight Trustees appointed by the Governor. These financial statements summarize all the fund types of WWU. The University's financial activity is included in the general-purpose financial statements of the State of Washington.

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as its component unit, the Western Washington University Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt entity. The Board of Directors is self-perpetuating and consists of 31 members. WWU has an agreement with the Foundation to design and implement such programs and procedures so as to persuade continuous and special philanthropic support for the benefit of WWU. In exchange, WWU provides the Foundation with office facilities, furniture and equipment, and a significant number of full-time employees and support services, including depository, disbursing, and payroll and purchasing functions. Although WWU does not control the timing or the amount of receipts from the Foundation, the majority of the resources or income the Foundation holds and invests is restricted for the activities of WWU by the donors. The Foundation's activity is reported in separate financial statement because of the difference in its reporting model as described below.

The Foundation reports its financial results under Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) 958-605, *Revenue Recognition*, and ASC 958-205, *Presentation of Financial Statement*.

As such, certain revenue recognition criteria and presentation features are different from GASB. No modifications have been made to the Foundation's financial information in WWU's financial statement for these differences; however, significant note disclosures (see Note 2) to the Foundation's financial statement have been incorporated into WWU's notes to the financial statement.

The Foundation's financial statement can be obtained by contacting the Foundation at (360) 650-3408.

Financial Statement Presentation

The financial statements are presented in accordance with generally accepted accounting principles and follow the guidance given by GASB. WWU has special purpose reports reflecting the net position, results of operations and cash flows for certain auxiliary units: Housing and Dining System and Wade King Recreational Center. These financial statements present only a selected portion of the activities of WWU. As such, they are not intended to and do not present the financial position, results of operations, or changes in net position of WWU. The auxiliary unit financial statements can be obtained by contacting Western Washington University at (360) 650-3675.

Basis of Accounting

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

New Accounting Pronouncements

On July 1, 2020, WWU adopted GASB Statement No. 84 "Fiduciary Activities". This Statement improves guidance regarding the identification and reporting of fiduciary activities. This Statement requires activity meeting certain criteria to be reported in a fiduciary fund within a statement of fiduciary net position and a statement of changes in fiduciary net position.

On July 1, 2020, WWU adopted GASB Statement No. 90 "Majority Equity Interest, an amendment of GASB Statements No. 14 and No. 61". It defines a majority equity interest and specifies that majority equity interest in a legal separate organization should be reported as an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. The adoption of this statement does not have an impact on WWU's financial statements.

On July 1, 2021, WWU adopted GASB Statement No. 87 "Leases". This Statement increases the usefulness of WWU's financial statements by requiring recognition of

certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Due to materiality, WWU does not have any lease assets or liabilities in its statements.

On July 1, 2021, WWU adopted GASB Statement No. 97 "Certain Component Unit Criteria, and Accounting and Financial Reporting of Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32". The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans (see Note 17).

OTHER ACCOUNTING POLICIES

Cash, Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, bank demand deposits, and deposits with the Washington State Local Government Investment Pool (LGIP). Cash and cash equivalents that are held with the intent to fund WWU operations are classified as current assets along with operating funds invested in the LGIP. Cash, cash equivalents, and investments that represent unspent bond proceeds or are held with the intent to fund capital projects are classified as noncurrent assets. Endowment investments are also classified as noncurrent assets. WWU

records all cash, cash equivalents and investments at fair value.

WWU combines unrestricted cash operating funds from all departments into an internal investment pool, the income from which is allocated on a proportional basis. The internal investment pool is comprised of cash, cash equivalents, commercial paper, certificates of deposit, U.S. Treasuries and U.S. Agency securities.

Accounts Receivable

Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty and staff. It also includes amounts due from the Federal government, State and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to WWU's grants and contracts. Accounts receivable are shown net of estimated uncollectible amounts.

Inventories

Inventories are carried at the lower of cost or market value.

Capital Assets

Capital assets are defined as assets with an initial individual cost of \$5,000 or more, or \$1 million or more for intangible assets, and an estimate useful life in excess of one year. Capital assets consist of buildings, furniture, equipment, and intangible assets recorded at cost or, if donated, at their acquisition value at the date of donation. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 40 to 50 years for buildings, 20 to 25 years for infrastructure and land improvements, 15 years for library resources, and 5 to 7 years for equipment.

Bond Deferred Outflows/Deferred Inflows

WWU classifies gains on retirement of debt as deferred inflows of resources and losses as deferred outflows of resources and amortizes such amounts as a component of interest expense over the remaining life of the old debt, or the new debt, whichever is shorter.

Bond Premiums/Discounts

Bond premiums/discounts are amortized over the term of the bonds using the effective interest method. The remaining balances of bond premiums/discounts are presented in the Statement of Net Position net of the face amount of bonds payable.

Cost Sharing Pension Plans

The net pension asset or liability is measured as the University's proportionate share of the collective total pension liability, less the fiduciary net position, of the cost-sharing pension plans in which WWU participates. The total pension liability is determined by discounting projected benefit payments based on the benefit terms and legal agreements existing at the pension plan's fiscal year-end. Projected benefit payments are required to be discounted using a single rate that reflects the expected rate of return on investments, to the extent that plan assets are available to pay benefits. The University's proportionate share is determined based on the relationship of the University contributions to total contributions to the plan by all participating employers. Pension expense is recognized for benefits earned during the period, interest on the unfunded liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows of resources or deferred outflows of resources and are recognized over the average expected remaining service period for employees eligible for pension benefits. Differences between expected and actual investment returns are reported as deferred inflows of resources or deferred outflows of resources and are recognized over five years. Contributions made to the plan subsequent to the measurement date and prior to WWU's fiscal year-end are reported as a deferred outflow of resources and recognized in the subsequent fiscal year. The measurement date for the net pension asset or liability is June 30 of the prior fiscal year.

Single Employer Pension Plan (WWU Supplemental Retirement Plan)

Legislation signed into law on July 1, 2020, amended the RCW applicable to the WWUSRP to define plan provisions including limits on member eligibility, benefit payments, vesting terms and contribution rates. As a result of these amendments, WWU is unable to modify the terms of the plan.

Administration of the benefit calculations and payments remain the responsibility of WWU until the state's Pension Funding Council determines the trust has sufficient assets,

at which time the Department of Retirement Systems will assume those duties in accordance with RCW 41.50.280. Other agencies of the state of Washington perform the duties of a board and hold the substantive powers in relation to the WWUSRP. WWU does not perform the duties of a board or hold any of the substantive powers that would make the plan a fiduciary component unit of the University.

The total pension liability is determined by discounting projected benefit payments for current participants and retirees, based on the benefit terms and legal agreements existing at the pension plan's fiscal year-end. The discount rate used for the total pension liability reflects the expected rate of return on investments, to the extent that plan assets are available to pay retiree benefits. The WWUSRP net liability represents the total pension liability less the plan's fiduciary net position.

Pension expense is recognized for benefits earned during the period, interest on the unfunded liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows of resources or deferred outflows of resources and are recognized over the average expected remaining service period for employees eligible for pension benefits. Differences between expected and actual investment returns are reported as deferred inflows of resources or deferred outflows of resources and are recognized over five years. The measurement date for the WWUSRP liability is the same as the Statements of Net Position date.

Other Post-Employment Benefits (OPEB)

The total OPEB liability is measured as the University's proportionate share of the state of Washington total OPEB liability, with the proportionate share determined based on the relationship of the WWU's healthcare-eligible headcount to the total healthcare-eligible headcount for the state. The total OPEB liability is determined by discounting projected benefit subsidies from current employees and retirees based on the discount rate required by GASB Statement No. 75 for OPEB plans that do not have assets residing in a qualified trust. OPEB expense is recognized for subsidies earned during the period, interest on the total OPEB liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows or resources or deferred outflows of resources and are recognized over the average expected remaining service period for healthcare-eligible employees. Contributions made to the plan, subsequent to

the measurement date and prior to WWU's fiscal year-end, are reported as a deferred outflow of resources and recognized in the subsequent fiscal year. The measurement date for total OPEB liability is June 30 of the prior fiscal year.

Unearned revenues

Unearned revenues occur when revenues have been collected for tuition and fees, grants and certain auxiliary activities prior to the end of the fiscal year but relate to services to be provided in the following fiscal year.

Net Position

WWU's net position is classified as follows:

Net investment in capital assets

This represents WWU's total investment in capital assets, net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of capital assets but are included as a component of restricted expendable net position described below.

Restricted net position, expendable

Restricted expendable include resources in which WWU is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted net position, nonexpendable

Nonexpendable restricted consist of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal.

Unrestricted net position

Unrestricted represent resources derived from student tuition and fees, State appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of WWU and may be used at the discretion of the governing board to meet expenses. These resources also include auxiliary enterprises, which are substantially self-supporting activities that provide goods and service for students, faculty and staff.

Classification of Revenues and Expenses

WWU has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating revenues

Operating revenues include activities that have the charac-

teristics of exchange transactions such as: (1) student tuition and fees, net of scholarship discounts and allowances, (2) sales and services of auxiliary enterprises, (3) most Federal, State and local grants and contracts, and (4) interest on institutional student loans.

Operating expenses

Operating expenses are those costs incurred in daily operations, such as salaries and wages, benefits, scholarships and fellowships expenses, depreciation, utilities, and supplies.

Non-operating revenues

Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as State appropriations, Federal Pell grant revenue and investment income.

Non-operating expenses

Non-operating expenses include costs related to financing or investing activities such as interest on indebtedness.

Other Revenues

Other revenues include activities that have the characteristics of non-exchange transactions, such as state capital appropriations and gifts to endowments.

Scholarship 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 WWU, and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other Federal, State or non-governmental programs are recorded as either operating or non-operating revenues in WWU's financial Statement. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, WWU has recorded a scholarship discount and allowance.

Tax Exemption

WWU is a tax-exempt instrumentality of the State of Washington organized under the provisions of Section 115(a) of the Internal Revenue Code and is exempt from Federal income taxes on related income.

Reclassifications

Certain accounts in the prior year financial statement may have been reclassified for comparative purposes to conform to the presentation in the current year financial statement.

2. COMPONENT UNIT

The Western Washington University Foundation (the Foundation) is a discretely presented component unit of WWU. The language in the Foundation's bylaws satisfies the "direct benefit" criterion, and the "entitlement/ability to access" criterion is met due to the Foundation's history of supporting WWU. The "significance" criterion is met because the combined resources used by WWU activities and the restricted resources held by the Foundation are deemed to be significant to WWU, regardless of the extent to which those resources may be used for "in-kind".

The Foundation presents information about its financial position and activities according to the following three classes of net position, depending on the existence and nature of donor restrictions:

Unrestricted net assets

Support received that is not subject to donor-imposed restrictions and over which the Board of Directors has discretionary control is classified as unrestricted.

Temporarily restricted net assets

Support received subject to donor-imposed use restrictions or time restrictions that will be met either through actions of the Foundation or by the passage of time is classified as temporarily restricted. In the period donor restrictions are met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets

Support received subject to donor-imposed restrictions stipulating those funds be invested in perpetuity is classified as permanently restricted. In accordance with purposes stipulated by the donors, earnings from such funds may be either unrestricted or temporarily restricted.

Foundation Commitment

In fiscal year 2022, WWU and the Foundation signed a Memorandum of Understanding in which the Foundation committed to fund the development and construction of a new Advance Technology Building up to \$2.5 million. The commitment is contingent upon the results of fundraising efforts by the Foundation, and as such, no receivable has been recorded related to this conditional commitment. The range of the receivable is \$0 to \$2.5 million, and, at this time, a reasonable amount cannot be estimated. During the year ended June 30, 2022, the Foundation estimated the range of the liability to be \$1.5 million to \$2.5 million

based on the fundraising efforts during the year ended June 30, 2022. As such, an estimated liability and grant commitment of \$1.5 million was recognized as of and for the year ended June 30, 2022.

3. CASH AND CASH EQUIVALENTS

WWU combines unrestricted cash operating funds from all departments into an internal investment pool, the income from which is allocated to the departments on a proportional basis. The internal investment pool is comprised of cash, cash equivalents and investments.

Cash and cash equivalents include cash on hand, change funds, bank balances, and funds held in the Local Government Investment Pool (LGIP).

Bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) or by a collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

WWU is a participant in the Local Government Investment Pool that was authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the pool and adopts rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually. Any proposed changes are reviewed by the LGIP advisory Committee.

The LGIP is a qualified, yet unrated, external investment pool. Investments in the LGIP are reported at amortized cost which approximates fair value. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at <http://www.tre.wa.gov>.

As of June 30, 2022, and 2021, the carrying amount of cash and cash equivalents is \$25,200,247 and \$32,602,004, respectively. These balances include restricted cash and cash

equivalents of \$5,610,026 and \$5,576,359 in unspent bond proceeds and Housing and Dining and Recreation Center renewal and replacement funds as of June 30, 2022, and June 30, 2021, respectively. The carrying amount of cash and cash equivalents approximates the market value.

4. INVESTMENTS

Investments include internally pooled cash operating funds, renewal and replacement funds, unspent bond proceeds, and University endowment funds.

WWU pooled investments consisted of \$4,100,000 and \$4,050,000 in certificates of deposit (CDs), \$2,483,260 and \$525,861 in municipals, \$1,498,305 and \$1,599,930 in supranationals, \$7,448,580 and \$8,751,624 in corporates and \$76,555,897 and \$38,169,820 in U.S. Treasury and Agency securities at June 30, 2022 and 2021, respectively.

The Housing and Dining System Renewal and Replacement restricted fund held and separately invested, \$1,746,340 and \$1,746,340 in certificates of deposit (CDs), \$450,434 and \$478,739 in municipals and \$1,014,739 and \$647,129 in U.S. Treasury and Agency securities as of June 30, 2022 and 2021, respectively.

The Housing and Dining System held \$0 and \$6,748,409 in U.S. Treasury securities for unspent bond proceeds as of June 30, 2022 and 2021, respectively.

University endowment funds are held and managed by the Western Washington University Foundation (the Foundation). The endowment funds are invested in accordance with the Foundation policy under the direction of the Foundation Finance and Audit Committee (the Committee). The Committee is responsible for reviewing and defining investment policy, monitoring investment performance, and recommending managers to oversee the investment of the portfolio. The Committee reviews and updates its investment policy every three years.

As of June 30, 2022, WWU's Endowment funds are comprised of \$7,924,878 in donor restricted and unrestricted funds and \$5,584,900 in Quasi-endowments. As of June 30, 2021, the balances were \$9,454,030 and \$6,504,532 respectively.

Credit (Quality) Risk

Credit risk is the risk that an issuer or other counterparty will not fulfill its obligations. Statutory and policy constraints with regard to the types of instruments available for investment limit WWU's exposure to this risk.

Instruments available for investment include obligations of the US Treasury and Agency securities, municipal debt obligations, corporate notes, commercial paper and CDs. The CDs held in the internal investment pool are insured by the Federal Deposit Insurance Company (FDIC) or by a collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). Minimum ratings for each investment type by Standard and Poors and Moody's respectively are as follows: commercial paper A1/P1; corporate notes, A-/A3; municipals, A-/A3; supranationals, AA-/Aa3 and US Treasury and Agency securities are rated essentially rated AA+/Aaa.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, WWU will not be able to recover the value of the investment. As of June 30, 2022, WWU, had \$89,451,215 in US Treasury and Agency securities, municipals, supranationals and corporates held in custody by Principal in WWU's name.

WWU manages its exposure to fair value losses in the internal investment pool by targeting the portfolio duration to 2.25 years and limiting the weighted average maturity to a maximum of 3 years. WWU generally does not invest operating funds in securities maturing more than 5 years from the date of purchase.

Endowment funds are invested under the Foundation Investment Policy guidelines. These guidelines include the primary objective of achieving long-term growth, while using prudent investing practices and do not limit investment maturities as a means to managing interest rate exposure.

Concentration of Credit Risk

Concentration of credit risk for investments is the risk of loss attributable to the magnitude of an investment in a single issuer. WWU's operating investment policy first limits the percent of the portfolio to issuer type and then to issuer within that type:

- U.S. Treasuries and State LGIP have no limit to percent of the portfolio.
- U.S. Agencies have no limit to percent of portfolio but are limited to 35% per issuer.
- Certificates of Deposit and Supranationals have a 10% limit to percent of portfolio with a 5% limit to issuer.
- Municipals have a 20% limitation to percent of portfolio with a 5% limit per issuer

Commercial Paper and Corporates have a combined limit of 25% of total portfolio with limitations per issuer for Commercial Paper of \$2 million and for Corporates, \$2 million or 3% for AA- or \$1 million or 2% for A-. The Endowment Investment Policy limits the endowment fixed income investments to no more than 5% of the portfolio for a single issuer, with the exception of U.S. government and agency securities.

Fair Value Measurement and Application

The three levels of the fair value hierarchy are described as follows:

- Level 1 - Unadjusted quoted prices available in active markets for identical assets or liabilities;
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or
- Level 3 - Unobservable inputs that are significant to the fair value measurement.



At June 30, 2022, the University held the following in cash, cash equivalents and investments:

Description	Fair Value Measurements Using			Total	Weighted Average Maturity (in Years)
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
WWU Investment Pool:					
Cash & Cash Equivalents	\$21,212,327			\$21,212,327	0.003
Commercial Paper	-			-	-
Time Certificates of Deposits (CDs)	4,100,000			4,100,000	1.541
Corporate	7,448,580			7,448,580	1.582
Municipals	2,483,260			2,483,260	2.751
SupraNationals	1,498,305			1,498,305	1.647
U.S. Treasuries		67,911,825		67,911,825	2.485
U.S. Agencies		8,644,072		8,644,072	1.793
WWU Endowment Funds:					
Cash & Cash Equivalents	78,895			78,895	0.003
Fixed Income Investments:					
U.S. Treasuries		23,064		23,064	8.100
U.S. Agencies		537,077		537,077	6.100
Other Fixed Income		2,234,586		2,234,586	n/a
Equity Investments		8,397,940		8,397,940	n/a
Real Estate		1,097,057	449,800	1,546,857	n/a
Alternative Investments		691,359		691,359	n/a
Other Investments:					
Renewal and Replacement Time CDs	1,746,340			1,746,340	2.241
Renewal and Replacement Municipals	450,434			450,434	1.088
Renewal and Replacement U.S. Treasuries		1,014,739		1,014,739	-
Renewal and Replacement U.S. Agencies		-		-	1.210
H&D Bond Inv. Cash & Cash Equivalents	3,987,920			3,987,920	0.003
H&D Bond Inv. US Treasuries		-		-	-
H&D Bond Inv. US Agencies				-	-
Miscellaneous			1,010	1,010	n/a
TOTAL CASH AND INVESTMENTS	\$43,006,061	\$90,551,719	\$450,810	\$134,008,590	

At June 30, 2021, the University held the following in cash, cash equivalents and investments:

Description	Fair Value Measurements Using			Total	Weighted Average Maturity (in Years)
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
WWU Investment Pool:					
Cash & Cash Equivalents	\$27,025,645			\$27,025,645	0.003
Commercial Paper	-			-	-
Time Certificates of Deposits (CDs)	4,050,000			4,050,000	1.303
Corporate	8,751,624			8,751,624	1.329
Municipals	525,861			525,861	2.422
SupraNationals	1,599,930			1,599,930	2.647
U.S. Treasuries		7,963,345		7,963,345	2.711
U.S. Agencies		30,206,475		30,206,475	0.986
WWU Endowment Funds:					
Cash & Cash Equivalents	363,182			363,182	
Fixed income investments:					
U.S. Treasuries		27,330		27,330	8.100
U.S. Agencies		675,662		675,662	6.100
Other Fixed Income		2,335,146		2,335,146	n/a
Equity Investments		10,208,869		10,208,869	n/a
Real Estate		1,341,705	465,748	1,807,453	n/a
Alternative Investments		540,920		540,920	n/a
Other Investments:					
Renewal and Replacement Time CDs	1,746,340			1,746,340	3.241
Renewal and Replacement Municipals	478,739			478,739	2.088
Renewal and Replacement U.S. Treasuries				-	
Renewal and Replacement U.S. Agencies		647,129		647,129	0.945
H&D Bond Inv. Cash & Cash Equivalents	5,576,359			5,576,359	0.003
H&D Bond Inv. US Treasuries		6,748,409		6,748,409	0.131
H&D Bond Inv. US Agencies		-		-	
Miscellaneous			1,010	1,010	n/a
TOTAL CASH AND INVESTMENTS	\$50,117,680	\$60,694,990	\$466,758	\$111,279,428	

5. FUNDS WITH STATE TREASURER

This account represents WWU's share of net earnings of the State of Washington Normal School Permanent Fund and the building fee portion of tuition (as appropriated by the state), reduced by expenditures for capital projects and debt service incurred over the years. The Normal School Permanent Fund, established under RCW 43.79.160, is a permanent endowment fund. Earnings from the investment are either reinvested or used for the benefit of Central Washington University, Eastern Washington University, Western Washington University, and The Evergreen State College.

The investing activities are the responsibility of the Washington State Treasurer's Office. The primary sources of new principal for the Normal School Permanent fund are revenues, primarily timber sales, from certain State lands. The State lands include 100,000 acres granted by the United States government for state normal schools and are managed by the State Department of Natural Resources.

WWU's combined earnings and distributions on the fund for the years ending June 30, 2022, and 2021 are \$2,146,321 and \$3,248,581, respectively, which are reported as other capital revenue along with any capital gifts or contributions.

6. ACCOUNTS RECEIVABLE, NET

At June 30, 2022 and 2021, the major components of accounts receivable are as follows:

	2022	2021
Student Tuition and Fees	\$5,600,515	\$5,271,674
Federal, State and Private Grants and Contracts	6,072,746	33,492,648
Auxiliary Enterprises and other Operating Activities	<u>1,701,360</u>	<u>3,873,141</u>
Total Accounts Receivable	13,374,621	42,637,463
Less allowance for doubtful accounts	<u>(904,249)</u>	<u>(831,067)</u>
Accounts Receivable, Net	<u>\$12,470,372</u>	<u>\$41,806,396</u>

7. STUDENT LOANS RECEIVABLE, NET

At June 30, 2022 and 2021, student loans receivable are as follows:

	2022	2021
Federal Perkins student loans	\$3,361,800	\$4,750,387
Other long-term loans	27,759	35,830
Institutional loans	<u>17,893</u>	<u>22,610</u>
Total student loans	3,407,452	4,808,827
Less allowance for doubtful accounts	<u>(339,103)</u>	<u>(477,802)</u>
Student loans receivable, net	<u>\$3,068,349</u>	<u>\$4,331,025</u>

8. INVENTORIES

At June 30, 2022 and 2021, inventories, stated at cost using various methods: retail or first-in, first-out (FIFO) consist of the following:

Location	Valuation Method	2022	2021
Bookstore	Avg cost	\$1,221,492	\$1,048,607
Facilities Maintenance	FIFO	529,408	468,148
Other inventory	FIFO	<u>173,142</u>	<u>181,419</u>
Total inventory		<u>\$1,924,042</u>	<u>\$1,698,174</u>

9. LAND AND CAPITAL ASSETS

The depreciation expense for the fiscal years ended June 30, 2022 and 2021 were \$26,931,418 and \$25,984,636, respectively.

Following are the changes in land and capital assets for the year ended June 30, 2022:

	6/30/2021	Additions	Reductions	6/30/2022
Non-depreciable Capital Assets				
Land	\$12,594,963	\$	\$	\$12,594,963
Construction in progress	<u>113,022,380</u>	<u>26,785,849</u>	<u>131,397,852</u>	<u>8,410,377</u>
Total non-depreciable capital assets	<u>\$125,617,343</u>	<u>\$26,785,849</u>	<u>\$131,397,852</u>	<u>\$21,005,340</u>
Depreciable Capital Assets				
Infrastructure	\$55,452,397	\$	\$	\$55,452,397
Buildings	584,928,332	127,780,513		712,708,845
Furniture, fixtures and equipment	49,327,317	4,715,246	2,756,863	51,285,700
Library materials, art collection	54,283,167	128,521	274,708	54,136,980
Improvements	<u>149,652,353</u>	<u>2,509,911</u>		<u>152,162,264</u>
Total depreciable capital assets	<u>893,643,566</u>	<u>135,134,191</u>	<u>3,031,571</u>	<u>1,025,746,186</u>
Less Accumulated Depreciation				
Infrastructure	37,249,440	1,401,491		38,650,931
Buildings	246,304,384	16,832,267		263,136,651
Furniture, fixtures and equipment	41,417,976	2,858,828	2,756,863	41,519,941
Library materials, art collection	51,598,265	710,311	243,408	52,065,168
Improvements	<u>80,818,362</u>	<u>5,128,521</u>		<u>85,946,883</u>
Total accumulated depreciation	<u>457,388,427</u>	<u>26,931,418</u>	<u>3,000,271</u>	<u>481,319,574</u>
Capital Assets, Net of Depreciation	<u>\$436,255,139</u>	<u>\$108,202,773</u>	<u>\$31,300</u>	<u>\$544,426,612</u>

Following are the changes in land and capital assets for the year ended June 30, 2021:

	6/30/2020	Additions	Reductions	6/30/2021
Non-depreciable Capital Assets				
Land	\$12,594,963	\$	\$	\$12,594,963
Construction in progress	28,955,409	84,127,331	60,360	113,022,380
Total non-depreciable capital assets	<u>\$41,550,372</u>	<u>\$84,127,331</u>	<u>\$60,360</u>	<u>\$125,617,343</u>
Depreciable Capital Assets				
Infrastructure	\$55,452,397	\$	\$	\$55,452,397
Buildings	584,379,561	548,771		584,928,332
Furniture, fixtures and equipment	47,109,744	3,124,502	906,929	49,327,317
Library materials, art collection	54,167,042	116,125		54,283,167
Improvements	<u>149,652,353</u>			<u>149,652,353</u>
Total depreciable capital assets	<u>890,761,097</u>	<u>3,789,398</u>	<u>906,929</u>	<u>893,643,566</u>
Less Accumulated Depreciation				
Infrastructure	35,842,425	1,407,015		37,249,440
Buildings	230,662,963	15,641,421		246,304,384
Furniture, fixtures and equipment	39,419,821	2,905,084	906,929	41,417,976
Library materials, art collection	50,768,128	830,137		51,598,265
Improvements	<u>75,617,383</u>	<u>5,200,979</u>		<u>80,818,362</u>
Total accumulated depreciation	<u>432,310,720</u>	<u>25,984,636</u>	<u>906,929</u>	<u>457,388,427</u>
Capital Assets, Net of Depreciation	<u>\$458,450,377</u>	<u>(\$22,195,238)</u>	<u>\$0</u>	<u>\$436,255,139</u>

10. ART COLLECTIONS

WWU has several collections of art that it does not capitalize. The Outdoor Sculpture Collection is a public art collection displayed throughout the entire campus. There are also collections of 19th and 20th century paintings, prints and drawings, the Whittington Collection of Asian Ceramics, and the Chair Collection. These collections adhere to WWU's policy to (a) maintain them for public exhibition, education, or research; (b) protect, keep unencumbered, care for, and preserve them; and (c) require proceeds from their sale to be used to acquire other collection items. WWU's policy is to permit collections maintained in this manner to be charged to operations at the time of purchase rather than capitalized.

11. COMPENSATED ABSENCES

The accrued leave balances as of June 30, 2022, and 2021 are \$12,152,406 and \$12,270,908, respectively. This consists of unused vacation leave and compensatory time earned for exempt professionals and classified staff. It also includes a percentage of earned and unused sick leave for exempt professionals and classified staff. For reporting purposes, the entire balance of accrued leave is considered a noncurrent liability as more leave is accrued during the fiscal year than what is used.

In 2004, WWU began participating in the Voluntary Employees' Beneficiary Association Medical Expense Plan (VEBA-MEP). The plan is a post-retirement medical expense reimbursement account available to professional staff employees of WWU. The VEBA-MEP enables WWU to deposit funds equivalent to the cash-out of compensable unused sick leave at retirement, tax free to a VEBA trust account on the employee's behalf. Funds deposited into a VEBA-MEP account, as well as the earnings on the accounts, are not subject to federal income or social security taxes. During FY 2022 and FY 2021, \$175,595 and \$108,139, respectively, were contributed to VEBA accounts by WWU on behalf of employees.

12. NOTES PAYABLE

WWU finances certain land and equipment purchases through certificates of participation issued by the Washington State Treasurer. WWU's debt service requirements for these agreements for the next five years and thereafter are as follows:

Fiscal Year	Principal	Interest
2023	700,880	288,833
2024	696,802	259,296
2025	429,154	230,244
2026	446,625	208,773
2027	469,220	186,428
2028-2032	1,435,000	679,500
2033-2037	<u>1,830,000</u>	<u>283,250</u>
Total	<u>6,007,681</u>	<u>2,136,324</u>

13. BONDS PAYABLE

Bonds payable consist of revenue bonds issued by WWU for Housing and Dining System facilities and the Wade King Student Recreation Center. Bonds outstanding are shown on the following page.

Housing and Dining Revenue Bonds

As specified in Master Resolution 97-09, the Housing and Dining System (the System) Revenue Fund is used to pay operating expenses, principal and interest, fund debt service reserve accounts required in subsequent series resolutions, pay the renewal and replacement fund and, if desired, retire debt in the open market. Net revenues are pledged to equal at least 125% of debt service. The System has funded a reserve account for debt service and maintains a renewal and replacement fund equal to at least 5% of outstanding bonds.

The Housing and Dining System has the following outstanding bond issues:

Series 2020 Housing and Dining Refunding Bonds (original issue price of \$ 21,760,000) with interest rates ranging from 1.5% to 2.5% and principal payments due beginning in April 1, 2025 in annual amounts ranging from \$ 735,000 to \$ 2,735,000 through April 1, 2034. The Series 2020 bonds have an aggregate face value of \$ 21,760,000 at June 30, 2022

Series 2019 Housing and Dining Revenue Bonds (original issue price of \$68,575,000) with interest rates ranging from 3.0% to 5.0% on principal payments due in annual amounts ranging from \$1,465,000 to \$3,295,000 through April 1, 2049. The Series 2019 bonds have an aggregate face value of \$67,180,000 at June 30, 2022

which is reported net of the unamortized original issues premium of \$3,014,953.

Series 2018A Housing and Dining Refunding Bonds (original issue price of \$10,695,000) with interest rates ranging from 3.0% to 5.0% and principal payments due in annual amounts ranging from \$570,000 to \$985,000 through April 30, 2034. The Series 2018A bonds have an aggregate face value of \$9,600,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$675,780.

Series 2018B Housing and Dining Refunding Bonds (original issue price of \$33,680,000) with interest rates ranging from 3.0% to 4.0% and principal payments due in annual amounts ranging from \$985,000 to \$2,050,000 through April 30, 2043. The Series 2018B bonds have an aggregate face value of \$30,510,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$790,045.

Series 2015 Housing and Dining Refunding Bonds (original issue price of \$13,435,000) with interest rates of 5.0% and principal payments due in annual amounts ranging from \$1,315,000 to \$1,530,000 through October 31, 2026. The Series 2015 bonds have an aggregate face value of \$5,675,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$310,376.

Series 2012 Revenue and Refunding Bonds (original issue price of \$9,205,000) with interest rates ranging from 3.0% to 5.0% and principal payments due in annual amounts ranging from \$790,000 to \$825,000 through October 31, 2023. The Series 2012 bonds have an aggregate face value of \$1,615,000 at June 30, 2022

which is reported net of the unamortized original issues premium of \$13,671.

Advance Refunding

On September 24, 2020, Housing and Dining issued \$21,760,000 in revenue and refunding bond series 2020 to refund, refinance and restructure all or a portion of the debt service (principal and interest) that will be due and payable with respect to Outstanding Parity Bonds during the period from October 1, 2020, through and including October 1, 2022, to capitalize interest on the Series 2020 bonds, and to pay costs of issuance. The net proceeds from the sale of the Series 2020 Bonds will be irrevocably deposited with U.S. Bank National Association under an escrow agreement dated the date of delivery of the Series 2020 Bonds. The funds will be used to purchase direct, noncallable, obligations of the United State of America securities. The securities will mature at such times and pay interest in such amounts so that sufficient money will be available to pay the Refunded Debt Service when due. The Refunded Debt Service will no longer be deemed to be outstanding. The Series 2020 Bonds will not produce any cash flow savings. The purpose is to provide COVID-19 economic relief to Housing and Dining.

Wade King Student Recreation Center Revenue and Refunding Bonds

On February 2, 2022, the Recreation Center issued \$15,950,000 in revenue and refunding bonds series 2022 to refund and refinance all or a portion of the debt service (principal and interest) that will be due and payable with respect to outstanding parity bonds during the period from May 1, 2022, through and including May 1, 2037. The bonds have an aggregate face value of \$15,950,000 as of June 30, 2022, which is reported net of the unamortized original issue premium of \$2,507,480

Current Refunding

On February 1, 2022, the Recreation Center issued \$15,950,000 in Series 2022 revenue and refunding bonds to refund and restructure all or a portion of the debt service that will be due and payable with respect to outstanding Series 2012 bonds with a par amount of \$18,985,000 and 4% interest rate. The Series 2022 bonds will have a gross debt service savings of \$2,943,687 and an economic gain of \$2,553,456.

The debt service requirements for the revenue/refunding bonds for the next five years and thereafter are as follows:

Fiscal Year	Housing and Dining Revenue and Refunding Bonds		Student Recreation Center Revenue and Refunding Bonds	
	Principal	Interest	Principal	Interest
2023	5,160,000	4,666,158	795,000	638,000
2024	5,310,000	4,431,083	825,000	606,200
2025	5,560,000	4,199,483	865,000	573,200
2026	5,800,000	3,958,101	900,000	538,600
2027	6,055,000	3,704,414	935,000	502,600
2028-2032	33,595,000	15,191,651	5,255,000	1,921,600
2033-2037	27,345,000	9,963,136	6,375,000	784,600
2038-2042	23,535,000	6,145,300		
2043-2047	17,485,000	2,435,950		
2048-2051	6,495,000	293,700		
Total	\$136,340,000	\$54,988,976	\$15,950,000	\$5,564,800
Unamortized premium/ (discount)	4,804,825		2,507,480	
Total	<u>\$141,144,825</u>	<u>\$54,988,976</u>	<u>\$18,457,480</u>	<u>\$5,564,800</u>

14. PLEDGED REVENUES

WWU has pledged certain revenues, net of specified operating expenses, to repay the principal and interest of revenue bonds. The following is a schedule of the pledged revenues and related debt:

Source of Revenue Pledged	Total Future Revenues Pledged *	Description of Debt	Purpose of Debt	Term of Commitment	Proportion of Debt Service to Pledged Revenues (current yr)
Housing and Dining revenues, net of operating expenses	\$191,328,976	Housing and Dining bonds issued in 2012, 2015, 2018, 2019, and 2020	Construction and renovation of student housing projects	2049	20.5%
Student Recreation Center gross revenues	\$21,514,800	Student Recreation Center bonds issued in 2022	Construction of the Student Recreation Center	2038	34.7%
* Total future principal and interest payments on debt					

15. LONG-TERM LIABILITIES

Following are the changes in long-term liabilities for the years ended June 30, 2022, and 2021:

	6/30/21	Additions/ Amortization	Decreases/ Retirements	6/30/22	Current Portion
Bonds, Notes & Obligations payable					
Revenue and refunding bonds	\$160,420,000	\$18,347,621	\$19,165,315	\$159,602,306	\$5,955,000
Notes payable	6,486,165	246,287	724,770	6,007,682	700,880
Compensated absences	12,270,908	-	118,502	12,152,406	-
OPEB Liability	96,023,439	4,200,400	-	100,223,839	1,706,951
Pension Liabilities	25,551,646	39,581	6,263,143	19,328,084	-
Perkins Federal Contribution	4,885,645	-	964,426	3,921,219	-
Total long-term liabilities	<u>\$305,637,803</u>	<u>\$22,833,889</u>	<u>\$27,236,156</u>	<u>\$301,235,536</u>	<u>\$8,362,831</u>
	6/30/20	Additions/ Amortization	Decreases/ Retirements	6/30/21	Current Portion
Bonds, Notes & Obligations payable					
Revenue and refunding bonds	\$152,187,456	\$20,617,544	\$12,385,000	\$160,420,000	\$870,000
Notes payable	7,184,588	-	698,423	\$6,486,165	724,770
Compensated absences	10,609,358	1,661,550	-	\$12,270,908	-
OPEB Liability	94,104,370	1,919,069	-	\$96,023,439	1,587,012
Pension Liabilities	51,846,667	-	26,295,021	\$25,551,646	-
Perkins Federal Contribution	5,934,269	-	1,048,624	4,885,645	-
Total long-term liabilities	<u>\$321,866,708</u>	<u>\$24,198,163</u>	<u>\$40,427,068</u>	<u>\$305,637,803</u>	<u>\$3,181,782</u>

16. DEFERRED COMPENSATION

WWU, through the State of Washington, offers its employees a Deferred Compensation Plan created under Internal Revenue Code Section 457. The plan, available to all State employees, permits individuals to defer a portion of their salary until future years. The State of Washington administers the plan on behalf of WWU's employees. WWU does not have legal access to the funds.

WWU also offers to its president a non-qualified IRS section 457(f) deferred compensation plan. This plan has a schedule of defined contributions plus a fixed 3% annual interest accrual. All accrued deferred compensation under the account shall vest on the earliest of: (i) the employee's completion of the term of the current contract; (ii) the employee's death or disability; (iii) the University's exercise of the termination for convenience; or (iv) the employee's resignation. All vested amounts shall be payable in a lump sum on a date determined by WWU that is within 60 days following vesting.

Balance as of June 30, 2020	\$79,277
Annual Required Contribution FY21	35,000
Interest at 3%	3,369
Balance as of June 30, 2021	117,646
Annual Required Contribution FY22	35,000
Interest at 3%	4,581
Balance as of June 30, 2022	<u>\$157,227</u>

17. OPERATING EXPENSES BY FUNCTIONAL CATEGORIES

In the Statement of Revenues, Expenses and Changes in Net Position, operating expenses are displayed by natural classifications which include salaries, employee benefits, goods and services, and other similar categories.

Operating expenses by functional classification for the years ended June 30, 2022, and 2021 are as follows:

Operating Expenses	2022	2021
Instruction	\$134,791,679	\$132,333,762
Research	8,654,057	7,593,476
Academic support	16,265,611	15,626,353
Student services	22,730,393	22,601,398
Institutional support	28,826,518	30,753,962
Operation and maintenance of plant	50,083,550	54,131,237
Scholarships and other student aid	34,359,051	30,651,683
Auxiliary enterprise expenditures	48,376,806	18,949,235
Total operating expenses	<u>\$344,087,665</u>	<u>\$312,641,106</u>

18. PENSION PLANS

WWU offers four contributory pension plans: 1) the Washington State Public Employees' Retirement System (PERS) plans, 2) the Washington State Teachers Retirement System (TRS) plans, 3) the Law Enforcement Officers' and Firefighters' Retirement System (LEOFF) plan and 4) the Western Washington University Retirement plan (WWURP).

PERS, TRS and LEOFF are cost sharing multiple employer defined benefit pension plans administered by the State of Washington Department of Retirement Systems (DRS). WWURP is a single employer defined contribution plan with a supplemental defined benefit plan component currently administered by WWU.

Legislation signed into law on July 1, 2020, amended the RCW applicable to the WWUSRP to define plan provisions including limits on member eligibility, benefit payments, vesting terms and contribution rates. As a result of these amendments, WWU is unable to modify the terms of the plan. Administration of

the benefit calculations and payments remain the responsibility of WWU until the state's Pension Funding Council determines the trust has sufficient assets, at which time the DRS will assume those duties in accordance with RCW 41.50.280. WWU does not perform the duties of a board or hold any of the substantive powers that would make the plan a fiduciary component of WWU. Other agencies of the state of Washington perform the duties of a board and hold the substantive powers in relation to the WWUSRP.

WWU's share of the total net unfunded liabilities associated with the defined-benefit pension plans administered by the DRS was \$3,915,857 as of June 30, 2022 and \$17,362,000 as of June 30, 2021. The liability associated with the defined-benefit pension plan currently administered by WWU was \$15,255,000 as of June 30, 2022, and \$8,072,000 as of June 30, 2021. The total pension expense recorded by WWU related to both the DRS and University plans was \$(11,387,778) and \$(152,535) for the years ended June 30, 2022, and 2021 respectively.

PLANS ADMINISTERED BY DRS**PLAN DESCRIPTION:****Public Employees' Retirement System**

PERS retirement benefit provisions are contained in chapters 41.34 and 41.40 of the Revised Code of Washington (RCW). PERS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered a single defined benefit plan for reporting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. PERS members include higher education employees not participating in other higher education retirement programs.

Teachers' Retirement System

TRS retirement benefit provisions are contained in chapters 41.32 and 41.34 of the Revised Code of Washington (RCW). TRS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members. TRS eligibility for membership requires service as a certificated public-school employee working in an instructional, administrative or supervisory capacity.

Law Enforcement Officers' and Fire Fighters' Retirement System

LEOFF retirement benefit provisions are contained in chapter 41.26 of the Revised Code of Washington (RCW). LEOFF is a cost-sharing, multiple-employer retirement system comprised of two separate pension plans for membership and accounting purposes. WWU participates in LEOFF Plan 2, which is a defined-

benefit plan. LEOFF membership includes full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians.

VESTING AND BENEFITS PROVIDED:**PERS Plan 1 and TRS Plan 1**

PERS Plan 1 and TRS Plan 1 provide retirement, disability, and death benefits to eligible members. Both plans are closed to new entrants. All members are vested after the completion of five years of eligible service. The monthly benefit is 2.0% of the average final compensation (AFC) for each year of service credit, up to a maximum of 60.0%. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two.

Members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. Members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

PERS Plan 2/3 and TRS Plan 2/3

PERS 2/3 and TRS Plan 2/3 provide retirement, disability and death benefits. PERS Plan 2 and TRS Plan 2 members are vested after completing five years of eligible service. PERS Plan 3 and TRS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Defined Retirement benefits are determined as 2.0% of the member's AFC times the member's years of service for Plan 2 and 1.0% of the AFC times the member's years of service for Plan 3. The AFC is the average of the member's 60 highest paid consecutive months. There is no cap on years of service credit.

Members are eligible for normal retirement at the age of 65 with five years of service. Members have the

option to retire early with reduced benefits. Members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3 percent annually. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

LEOFF Plan 2

LEOFF Plan 2 provides retirement, disability, and death benefits to eligible members. Members are vested after the completion of five years of eligible service. Plan 2 members receive a benefit of 2 percent of the FAS per year of service. FAS is based on the highest consecutive 60 months.

Members are eligible for retirement at the age of 53 with five years of service, or at age 50 with 20 years of service. Members who retire prior to the age of 53 receive reduced benefits. A cost-of-living allowance (COLA) is granted based on the Consumer Price Index, capped at 3.0% annually. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

FIDUCIARY NET POSITION:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all plans and additions to/deductions from all plans fiduciary net position have been determined in all material respects on the same basis as they are reported by the plans. These pension plans administered by the state are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, employee and employer contributions are recognized in the period in which employee services are performed; investment gains and losses are recognized as incurred; and benefits and refunds are recognized when due and payable in accordance with the terms of the applicable plan.

The Washington State Investment Board (WSIB) has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize

return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB- adopted investment policies for the various asset classes in which the WSIB invests. Although some assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

Administration of the PERS, TRS, and LEOFF systems and plans were funded by an employer rate of 0.18% of employee salaries.

The DRS prepares a stand-alone financial report that is compliant with the requirements of Statement 67 of the Governmental Accounting Standards Board. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380 or online at <https://www.drs.wa.gov/2021-annual-report-newsfeed/>.

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on WWU. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on WWU's financial statements.

The total pension liability for each of the plans was determined using the most recent actuarial valuation completed by the Washington State Office of the State Actuary (OSA). WWU's 2022 pension liability is based on the OSA valuation performed as of June 30, 2021, with a valuation date of June 30, 2020. Besides the discount rate, the actuarial assumptions used in the valuation are summarized in the Actuarial Section of DRS' Annual Comprehensive Financial Report located on the DRS employer-resource GASB webpage. These assumptions reflect the results of OSA's 2013-

2018 Demographic Experience Study Report and the 2019 Economic Experience Study. The following actuarial assumptions have been applied to all prior periods included in the measurement:

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary Increases:** salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.40%

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates as the base table. OSA applied age offsets, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout the member's lifetime.

OSA selected a 7.40% long-term expected rate of return on pension plan investments using a building block method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns the WSIB provided.

The CMAs contain three pieces of information for each class of assets WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns at various future times.

The best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

2022 - Measurement date 2021

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	20%	2.20%
Tangible Assets	7%	5.10%
Real Estate	18%	5.80%
Global Equity	32%	6.30%
Private Equity	23%	9.30%
Total	100%	

The inflation component used to create the table is 2.20% and represents the WSIB's most recent long-term estimate of broad economic inflation.

DISCOUNT RATE:

The discount rate used to measure the total pension liabilities was 7.40 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.40 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.40 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue to be made at contractually required rates (including PERS Plan 2/3 and TRS 2/3 employers whose rates include a component for the PERS Plan 1 and TRS Plan 1 unfunded actuarial accrued liabilities). Based on those assumptions, the various pension plan's fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40 percent on pension plan investments was applied to determine the total pension liability for each plan.

SENSITIVITY OF THE NET PENSION LIABILITY/(ASSET) TO CHANGES IN THE DISCOUNT RATE:

The following table presents WWU's net pension liability/(asset) position by plan calculated using the discount rate of 7.40 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1.0% point lower (6.40%) or 1.0% point higher (8.40%) than the current rate.

Discount Rate Sensitivity - Net Pension Liability/(Asset)

(\$ in thousands)

Plan	1% Decrease	2022 Current	1% Increase
	6.4%	Discount Rate 7.4%	8.4%
PERS 1	\$6,137	\$3,603	\$1,392
PERS 2/3	(10,738)	(37,692)	(59,889)
TRS 1	600	313	63
TRS 2/3	219	(1,253)	(2,454)
LEOFF 2	(1,961)	(3,110)	(4,051)
	\$ (5,743)	\$ (38,139)	\$ (64,939)

EMPLOYER CONTRIBUTION RATES:

Employer contribution rates are developed in accordance with Chapter 41.45 of the RCW by the OSA. The statute provides authority to the Pension Funding Council to adopt changes to economic assumptions and contribution rates.

Required Contribution Rates

The required contribution rates expressed as a percentage of current year covered payroll are shown below. The University and the employees made the required contributions.

	Contribution Rates							
	7/1/2020 thru 8/31/2020		9/1/2020 thru 6/30/2021		7/1/2021 thru 8/31/2021		9/1/2021 thru 6/30/2022	
	Employee	University	Employee	University	Employee	University	Employee	University
PERS								
Plan 1	6.00%	12.86%	6.00%	12.97%	6.00%	10.25%	6.00%	10.25%
Plan 2	7.90%	12.86%	7.90%	12.97%	6.36%	10.25%	6.36%	10.25%
Plan 3	5.00-15.00% **	12.86% *	5.00-15.00% **	12.97% *	5.00-15.00% **	10.25% *	5.00-15.00% **	10.25% *
TRS								
Plan 1	6.00%	15.51%	6.00%	15.74%	6.00%	15.74%	6.00%	14.42%
Plan 2	7.77%	15.51%	7.77%	15.74%	7.77%	15.74%	8.05%	14.42%
Plan 3	5.00-15.00% **	15.51% *	5.00-15.00% **	15.74% *	5.00-15.00% **	15.74% *	5.00-15.00% **	14.42% *
LEOFF								
Plan 2	8.59%	8.77%	8.59%	8.77%	8.53%	8.71%	8.53%	8.71%

PERS 2/3 employer rates include a component to address the PERS Plan 1 unfunded actuarial accrued liability (UAAL)

TRS 2/3 employer rates include a component to address the TRS Plan 1 unfunded actuarial accrued liability (UAAL)

*Plan 3 defined benefit portion only.

**Variable from 5% to 15% based on rate selected by the member.

University contribution rate includes an administrative expense rate of 0.0018.

The University's required contributions for the years ending June 30 are as follows:

	Required Contributions	
	FY 2021	FY 2022
PERS		
Plan 1	\$4,192	\$
Plan 2	4,269,282	3,489,597
Plan 3	1,591,890	1,233,557
TRS		
Plan 1	5,879	8,300
Plan 2	28,924	34,751
Plan 3	505,847	542,154
LEOFF		
Plan 2	108,709	107,967

UNIVERSITY PROPORTIONATE SHARE AND AGGREGATED BALANCES:

Collective pension amounts are determined as of a measurement date, which can be no earlier than an employer's prior fiscal year. The measurement date for the net pension liabilities recorded by WWU as of June 30, 2022, and 2021 was June 30, 2021, and 2020 (one year in arrears.) Employer contributions received and processed by the DRS during the measurement date fiscal year have been used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in their fiscal year ended June 30 Schedules of Employer and Non-employer Allocations. WWU's proportionate share of the aggregated balance of net pension liabilities and net pension asset as of June 30, 2022, and June 30, 2021 is presented in the table below.

Proportionate Share Allocation Percentage					
	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2
FY 22 Proportionate Share	0.2950%	0.3784%	0.0465%	0.0456%	0.0535%
FY 21 Proportionate Share	0.3018%	0.3855%	0.0452%	0.0447%	0.0547%

Aggregate Pension Balances (\$ in thousands)						
	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
June 30, 2022						
Net Pension Liability	\$ 3,603	\$	\$ 313	\$	\$	\$ 3,916
Net Pension Asset	\$	\$ 37,692	\$	\$ 1,253	\$ 3,110	\$ 42,055
June 30, 2021						
Net Pension Liability	\$ 10,657	\$ 4,930	\$ 1,088	\$ 687	\$	\$ 17,362
Net Pension Asset	\$	\$	\$	\$	\$ 1,117	\$ 1,117

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES:

The tables below summarize WWU's expense, deferred outflows of resources and deferred inflows of resources related to the DRS pension plans, together with the related future year impacts to pension expense from amortization of those deferred amounts. Note that deferred outflows of resources related to University contributions subsequent to the measurement date are recognized as a reduction of the net pension liability in the following year and are not amortized to pension expense.

Proportionate Share of Pension Expense (\$ in thousands)						
	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
Year Ended June 30, 2021	\$ (919)	\$ (8,523)	\$ (56)	\$ (127)	\$ (443)	\$ (10,069)
Year Ended June 30, 2020	\$ 480	\$ 569	\$ 369	\$ 258	\$ (17)	\$ 1,686

Amounts reported as deferred outflows of resources, exclusive of contributions subsequent to the measurement date, and deferred inflows of resources will be recognized in pension expense in future periods as follows:

Deferred Outflows of Resources (\$ in thousands)

2022	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
Difference between expected and actual experience	\$	\$ 1,831	\$	\$ 389	\$ 141	\$ 2,361
Changes of assumptions		55		78	1	134
Net difference between projected and actual earnings on pension plan investments						
Change in proportion		141		151	119	412
Contributions subsequent to the measurement date	1,740	2,983	258	327	108	5,416
TOTAL	\$ 1,740	\$ 5,011	\$ 258	\$ 945	\$ 370	\$ 8,323

Deferred Inflows of Resources (\$ in thousands)

2022	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
Difference between expected and actual experience	\$	\$ 462	\$	\$ 10	\$ 16	\$ 489
Changes of assumptions		2,677		66	148	2,891
Net difference between projected and actual earnings on pension plan investments	3,998	31,502	470	1,461	1,483	38,913
Change in proportion		277			64	341
TOTAL	\$ 3,998	\$ 34,918	\$ 470	\$ 1,537	\$ 1,711	\$ 42,633

Amortization of Deferred Outflows and Deferred Inflows of Resources * (\$ in thousands)

YEAR	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
2023	\$ (1,059)	\$ (8,675)	\$ (124)	\$ (307)	\$ (392)	\$ (10,558)
2024	(970)	(8,109)	(114)	(283)	(365)	(9,841)
2025	(918)	(7,716)	(108)	(263)	(345)	(9,349)
2026	(1,051)	(8,303)	(124)	(305)	(389)	(10,171)
2027		(100)		74	(2)	(28)
Thereafter		12		165	45	222
TOTAL	\$ (3,998)	\$ (32,891)	\$ (470)	\$ (919)	\$ (1,449)	\$ (39,726)

* Negative amounts shown in the table above represent a reduction of expense

Deferred Outflows of Resources (\$ in thousands)

2021	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
Difference between expected and actual experience	\$	\$ 1,765	\$	\$ 434	\$ 154	\$ 2,354
Changes of assumptions		70		89	2	160
Net difference between projected and actual earnings on pension plan investments						
Change in proportion		170		171	115	457
Contributions subsequent to the measurement date	2,197	3,669	256	285	109	6,515
TOTAL	\$ 2,197	\$ 5,674	\$ 256	\$ 979	\$ 380	\$ 9,485

Deferred Inflows of Resources (\$ in thousands)

2021	PERS 1	PERS 2/3	TRS 1	TRS 2/3	LEOFF 2	Total
Difference between expected and actual experience	\$	\$ 618	\$	\$ 2	\$ 20	\$ 640
Changes of assumptions		3,368		75	173	3,616
Net difference between projected and actual earnings on pension plan investments	59	250	7	7	12	336
Change in proportion		229			74	303
TOTAL	\$ 59	\$ 4,466	\$ 7	\$ 84	\$ 279	\$ 4,895

PLANS ADMINISTERED BY WESTERN WASHINGTON UNIVERSITY**Western Washington University Retirement Plan (WWURP)****PLAN DESCRIPTION:**

The WWURP is a defined contribution single employer pension plan with a supplemental payment when required. The plan covers faculty, professional staff, and certain other employees. It is administered by WWU. WWU's Board of Trustees is authorized to establish and amend benefit provisions. Members are eligible to receive benefits under this plan at either the age 62 or at the age of 55 with 10 or more years of credited service.

Contributions to the plan are invested in annuity contracts or mutual fund accounts offered by one or more fund sponsors. Benefits from fund sponsors are available upon separation or retirement at the member's option. Employees, at all times, have a 100% vested interest in their accumulations. Because the Higher Ed SRP Valuation report is only prepared every other year the number of participants in the WWURP as of June 30, 2022, and 2021 remained the same for reporting purposes at 1,154.

FUNDING POLICY:

Employee contribution rates, which are based on age, range from 5% to 10% of salary. WWU matches 100% of the employee contributions. All required employer and employee contributions have been made and the breakdown of these WWURP contributions are included in the table below for the years ended June 30.

	2022	2021
Contributions made by:		
Employees	\$8,947,846	\$8,554,940
University	8,929,996	8,553,048

Western Washington University Supplemental Retirement Plan (WWUSRP)**PLAN DESCRIPTION:**

WWUSRP, the supplemental component of the WWURP plan, is a defined benefit plan currently administered by WWU and operates in tandem with the WWURP defined contribution pension plan to supplement the expected defined-contribution retirement savings accumulated under the WWURP. The plan covers faculty and certain other positions. The WWUSRP, the supplemental component of the WWURP, was closed to new entrants as of July 1, 2011. For purposes of measuring the June 30, 2021 net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the WWUSRP and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported in the state of Washington's Annual Comprehensive Financial Report, which is available at <https://ofm.wa.gov/accounting/financial-audit-reports/annual-comprehensive-financial-report>. The Office of the State Actuary prepared internal SRP GASB67/68 values by entity and delivered these values to each entity for reporting the June 30, 2022 balances as no external annual comprehensive report was issued this year.

PLAN MEMBERSHIP:

Membership of the Western Washington University Supplemental Retirement Plan consisted of the following at June 30, 2018, and June 30, 2020, the date of the latest actuarial valuation for the plan:

Number of Participating Members				
WWURP	Inactive Members (Or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled To But Not Yet Receiving Benefits	Active Members	Total Members
2022*	79	3	483	565
2020	79	3	483	565

* same as prior year utilizing the 2021 SRP Actuarial Valuation Report

The 2020 census data were used for actuarial valuations that were used to project the Total Pension Liability to the measurement date of June 30, 2022, and 2021 respectively.

VESTING AND BENEFITS PROVIDED:

This supplemental component payment plan determines a minimum retirement benefit goal based upon a one-time calculation at each employee's retirement date. This supplemental component is currently financed on a pay-as-you-go basis. WWU makes direct payments to qualified retirees when the retirement benefit provided by the fund sponsor does not meet the benefit goal.

WWUSRP retirement benefits provisions are contained in RCW 28B.10.400, et. seq. which assigns the authority to establish and amend benefit provisions to the Western Washington University Board of Regents. Members are eligible to receive benefits under this plan at either the age 62 or at the age of 55 with 10 or more years of credited service. The monthly amount of benefits payable at the time of retirement is the excess of one-twelfth of 2.0% of the member's average annual salary multiplied by the number of years of service (such product not to exceed one-twelfth of 50.0% of the member's average annual salary) over an assumed annuity benefit.

Assumed income must be calculated by an independent actuary and represents a theoretical amount of monthly income that would have been generated if actual employee and WWU contributions to the WWURP had been allocated equally between fixed and variable dollar annuities. When the goal income exceeds the assumed income, the participant is entitled to benefits under this plan. Benefit payments made during the fiscal years ended June 30, 2022 and 2021 were \$586,561 and \$524,420 respectively.

FIDUCIARY NET POSITION:

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in Fiscal Year 2021.

The plan Fiduciary Net Position is the fair value of plan assets held in a trust as defined by GASB. The Net Pension Liability is the difference between the Total Pension Liability and the plan Fiduciary Net Position. The plan Fiduciary Net Position represents the amount of assets collected as of the measurement date to pay for SRP benefits, per RCW 41.50.280. Plan assets and investments are measured at their fair value.

The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

WWUSRP plan assets are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB-adopted investment policies for the various asset classes in which WSIB invests.

Information about the investment of pension funds by the WSIB, their valuation, classifications, concentrations, and maturities can be found in footnote 3.B of the state of Washington's Annual Comprehensive Financial Report.

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on WWU. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on WWU's financial statements.

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in Fiscal Year 2021.

The total pension liability was determined by an actuarial valuation as of June 30, 2020, with the results projected forward to the June 30, 2021, measurement date using the following actuarial assumptions:

- **Discount Rate:** 7.00%
- **TIAA Increase Rate:** 3.98%
- **CREF Increase Rate:** (16.99)%
- **Salary Growth:** 3.75%

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates as the base table. OSA applied age offsets, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout the member's lifetime.

The total salary growth assumption is based on the August 2021 Higher Education SRP Experience study. The TIAA and CREF increase rates represent the assumed investment return on primary investments that play a key role in the SRP benefit calculation.

OSA updated assumptions consistent with the 2021 Demographic Experience Study and modified the TIAA CREF investment assumptions based on TIAA input and OSA's expectation for the future. This includes future growth in the investment's and how the projected account balances are converted to annuities. The assumption update generally led to increases in total pension liability.

The discount rate can be thought of as an assumed return on assets, with a lower discount rate leading to a higher total pension liability (TPL). The discount rate reflects our office's long-term rate of return assumption for assets invested in the Commingled Trust Fund, which decreased from 7.40% to 7.00%. The impact of this change is captured as part of the "Changes in assumptions" line of the TPL table. TIAA and CREF are investments used in the assumed income calculation. The big takeaway here is the FY 2022 CREF stock account return of (16.99%) was significantly lower than our assumption of 6.25%. CREF investment returns that are lower than expected lead to lower assumed income, which means more expected supplemental plan benefits for current actives and an increase in the TPL. The impact of this change is captured in the "Differences between expected and actual experience" line of the TPL table.

SENSITIVITY OF THE NET PENSION LIABILITY/(ASSET) TO CHANGES IN THE DISCOUNT RATE:

The following presents the net pension liability for the WWUSRP for WWU as an employer, calculated using the discount rate of 7.4%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1.0% point lower (6.4%) or 1.0% point higher (8.4%) than the current rate.

WWUSRP			
Discount Rate Sensitivity - Net Pension Liability/(Asset)			
\$ in thousands			
Plan	1% Decrease 6.0%	2022 Current Discount Rate 7.0%	1% Increase 8.0%
WWUSRP	\$ 17,538	\$ 15,255	\$ 13,296

EMPLOYER CONTRIBUTION RATES:

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in Fiscal Year 2021. 2SHB 1661 outlines a funding policy for the SRP. Beginning July 1, 2020, the 0.5 percent required employer contribution rate was replaced with institution-specific contribution rates. These rates are developed by the OSA in accordance with RCW 41.45, which provides authority to the Pension Funding Council to adopt changes to economic assumptions and contribution rates. Money in the trust must be accounted for separately and attributed to each paying institution and may only be used to make benefit payments to the paying institution's plan beneficiaries. Beginning July 31, 2020, the Pension Funding Council may review and revise the institution-specific contribution rates. Rates must be designed to keep the total cost at a more level percentage than a pay-as-you-go method. Accumulated funds will allow a portion of the cost of SRP benefits to be paid from those funds beginning in approximately 2035. When the trust has collected sufficient assets to begin making SRP benefit payments, administration of the SRP will transfer to the Department of Retirement Systems (DRS).

WWUSRP	2022	2021
Employer required contribution rate	0.21%	0.21%

The SRP benefit funds are currently restricted from paying SRP benefits and are not expected to pay benefits until 2035. Until this time, SRP benefits are paid out of the WWU's operating budget on a pay-as-you-go basis.

NET PENSION LIABILITY (NPL):

Consistent with GASB No. 67/68, plan assets are included in financial reporting. The June 30, 2021, asset amount offsets the total pension liability to yield the plan's net pension liability

Effective July 1, 2020, legislation signed into law created a trust arrangement for assets dedicated to paying WWUSRP benefits to plan members. Contributions previously paid to and accumulated by DRS beginning January 1, 2012, were transferred into the trust when this legislation became effective. As a result, WWU is now applying accounting guidance for single employer plans that have trusted assets and reports the pension liability net of plan assets as of June 30, 2021.

The components of the WWUSRP liability were as follows:

Schedule of Changes in Net Pension Liability (NPL)			
	TPL (a)	Plan Fiduciary Net Position (b)	NPL (a) minus (b)
Balance as of July 1, 2020	\$ 35,442,000	\$ 3,733,000	\$ 31,709,000
Service Cost	922,000		922,000
Interest on TPL	798,000		798,000
Differences Between Expected and Actual Experience	(15,050,000)		(15,050,000)
Change in Assumptions	(8,260,000)		(8,260,000)
Employer Contributions		196,000	(196,000)
Investment Income		1,326,000	(1,326,000)
Benefit Payments	(525,000)		(525,000)
Net Changes	(22,115,000)	1,522,000	(23,637,000)
Balance as of June 30, 2021	\$ 13,327,000	\$ 5,255,000	\$ 8,072,000
Service Cost	233,000		233,000
Interest on TPL	982,000		982,000
Differences Between Expected and Actual Experience	5,263,000		5,263,000
Change in Assumptions	1,524,000		1,524,000
Employer Contributions		226,000	(226,000)
Investment Income		7,000	(7,000)
Benefit Payments	(586,000)		(586,000)
Net Changes	7,416,000	233,000	7,183,000
Balance as of June 30, 2022	\$ 20,743,000	\$ 5,488,000	\$ 15,255,000

The June 30, 2022, and 2021 TPL is based on an actuarial valuation performed as of June 30, 2020, with update procedures performed by the OSA to roll forward the TPL to the measurement date. The June 30, 2020, TPL is based on an actuarial valuation performed as of June 30, 2018, with update procedures performed to roll forward the TPL to the measurement date of June 30, 2020. All valuations were prepared using the entry age actuarial cost method.

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES:

The tables below summarize WWU's pension expense, deferred outflows of resources and deferred inflows of resources related to the WWUSRP, together with the related future year impacts to pension expense from amortization of those deferred amounts:

WWUSRP Pension Expense (PE)		2022	2021
Service Cost	\$	\$233,000	\$922,000
Interest Cost		982,000	798,000
Amortization of Differences between Expected and Actual Experience		(1,851,000)	(2,674,000)
Amortization of Changes of Assumptions		(155,000)	(393,000)
Expected Earnings on Plan Investments		(397,000)	(283,000)
Amortization of Differences between Projected and Actual Earnings on Plan Investments		(131,000)	(209,000)
Administrative Expenses			
Other Changes in Fiduciary Net Position			
Pension Expense - Current Year	\$	(1,319,000)	\$ (1,839,000)
GASB 68 from GASB 73 reporting change effect			\$ (3,929,000)
Net Pension Expense	\$	(5,768,000)	\$ (5,768,000)

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense in future periods as follows:

WWUSRP Deferred Outflows of Resources		2022	2021
Difference between expected and actual experience	\$	6,399,000	\$ 2,612,000
Changes of assumptions		5,167,000	5,146,000
Differences between Projected and Actual Earnings on Plan Investments		312,000	
TOTAL	\$	11,878,000	\$ 7,758,000

Deferred Inflows of Resources		2022	2021
Difference between expected and actual experience	\$	11,873,000	\$ 15,201,000
Changes of assumptions		6,297,000	7,955,000
Differences between Projected and Actual Earnings on Plan Investments		626,000	834,000
TOTAL	\$	4,831,000	\$ 23,990,000

Amortization of Deferred Outflows and Deferred Inflows of Resources	
Year	
2023	\$ (1,806,000)
2024	(2,944,000)
2025	(2,171,000)
2026	(2,160,000)
2027	(3,246,000)
Thereafter	424,000
TOTAL	\$ (6,917,000)

19. OTHER POST EMPLOYMENT BENEFITS (OPEB)

PLAN DESCRIPTION:

Health care and life insurance programs for employees of the State of Washington are administered by the Washington State Health Care Authority (HCA). The HCA calculates the premium amounts each year that are sufficient to fund the State-wide health and life insurance programs on a pay-as-you-go basis. These costs are passed through to individual state agencies based upon active employee headcount; the agencies pay the premiums for active employees to the HCA. The agencies may also charge employees for certain higher cost options elected by the employees.

State of Washington retirees may elect coverage through state health and life insurance plans, for which they pay less than the full cost of the benefits, based on their age and other demographic factors.

The health care premiums for active employees, which are paid by the agency during employees' working careers, subsidize the "underpayments" of the retirees. An additional factor in the OPEB obligation is a payment that is required by the State Legislature to reduce the premiums for retirees covered by Medicare (an "explicit subsidy"). For fiscal year 2022, this amount was \$183 per member to cover retirees eligible for parts A and B of Medicare, per month. This rate will remain the same for calendar year 2023. This is also passed through to State agencies via active employee's rates charged to the agency.

OPEB implicit and explicit subsidies as well as administrative costs are funded by required contributions made by participating employers. State agency contributions are made on behalf of all active, health care eligible employees, regardless of enrollment status. Based on the funding practice, the allocation method used to determine proportionate share is each agency's percentage of the state's total active, health care eligible employee headcount. As of June 2021, and 2020, WWU's headcount percentage membership in the PEBB plan consisted of the following:

OPEB Plan Participants				
FYE	Active Employees	Retirees Receiving Benefits	Retirees Not Receiving Benefits	Total Participants
2020	2066	797	95	2958
2021	2015	778	93	2886

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on WWU. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on WWU's financial statements.

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement period:

- **Inflation:** 2.75%
- **Salary Increases:** 3.50% including service-based salary increases
- **Health Care Trend Rates:*** Initial rate ranges from 2-11% adjusting to 4.3% in 2075
- **Post-retirement Participation:** 65.00%
- **Spouse Coverage:** 45.00%

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates, which vary by member status. The Office of the State Actuary (OSA) applied age offsets as appropriate to better tailor the mortality rates to the demographics of the plan. OSA applied the long-term MP-2017 generational improvement scale to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year, throughout their lifetime.

The discount rate used to measure the total pension liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index. A discount rate of 2.21% was used for the June 30, 2020, measurement date and 2.16% for the June 30, 2021, measurement date.

The following presents the total OPEB liability of WWU, calculated using the discount rate of 2.16%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current rate.

Total OPEB Liability Discount Rate Sensitivity	
1% Decrease	\$121,428,291
Current Discount Rate - 2.16%	\$100,223,839
1% Increase	\$83,737,536

The following represents the total OPEB liability of WWU, calculated using the health care trend rates of 2-11% reaching an ultimate range of 4.3%, as well as what the total OPEB liability would be if it were calculated using health care trend rates that are 1 percentage point lower or 1 percentage point higher than the current rate:

Total OPEB Liability Health Care Cost Trend Rate Sensitivity	
1% Decrease	\$80,858,197
Current Discount Rate - 2-11%	\$100,223,839
1% Increase	\$126,393,356

*For additional detail on the health care trend rates, OPEB plan information and actuarial computations please reference the Washington State Annual Comprehensive Financial Report on OFM's website: <https://leg.wa.gov/osa/accounting/financial-audit-report/annual-comprehensive-financial-report>

and the Office of the State Actuary's website:
<https://leg.wa.gov/osa/additionalservices/Pages/OPEB.aspx>

TOTAL OPEB LIABILITY:

As of June 30, 2022, and 2021, components of the proportionate share calculation of total OPEB liability determined in accordance with GASB Statement No. 75 for WWU are represented in the following table:

FY 22 Proportionate Share		1.54865386%
FY 21 Proportionate Share		1.58580300%
Schedule of Changes in Total OPEB Liability		
Total OPEB Liability	2022	2021
Service cost	\$5,009,289	\$3,984,686
Interest	2,164,984	3,333,252
Changes of benefit terms		
Differences between expected & actual experience		(510,790)
Changes in assumptions	924,997	2,160,692
Benefit payments	(1,649,418)	(1,587,012)
Change in Proportionate share	(2,249,452)	(2,066,596)
Other *		(3,395,163)
Net Change in Total OPEB Liability	\$4,200,400	\$1,919,069
Total OPEB Liability - Beginning	\$96,023,439	\$94,104,370
Total OPEB Liability - Ending	\$100,223,839	\$96,023,439

* For FY 2021, OPEB PEFI Report 2021 Note 2, Section D: Impact of removing trends that include Excise Tax. Legislation under H.R. 1865 repealed the excise tax after the previous measurement date.

OPEB expense for the fiscal years ended June 30, 2022, and 2021 was \$4,064,902 and \$927,191 respectively.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES:

The tables below summarize WWU's deferred outflows and inflows of resources related to OPEB, together with the related future year impacts to expense from amortization of those deferred amounts:

Deferred Outflows of Resources		
	2022	2021
Change in proportion	\$ 654,936	\$ 798,782
Difference between expected and actual experience	1,714,375	2,106,600
Changes of assumptions	6,382,755	6,602,895
Transactions subsequent to the measurement date	1,657,763	1,688,984
TOTAL	\$ 10,409,829	\$ 11,197,261

Deferred Inflows of Resources		
	2022	2021
Change in proportion	\$ 4,356,862	\$ 2,396,208
Difference between expected and actual experience	\$ 387,974	454,036
Changes of assumptions	18,171,027	22,646,313
TOTAL	\$ 22,915,863	\$ 25,496,557

Amortization of Deferred Outflows and Deferred Inflows of Resources	
Year	
2023	\$ (3,109,371)
2024	\$ (3,109,371)
2025	\$ (3,109,371)
2026	\$ (3,109,367)
2027	(1,620,832)
Thereafter	(105,485)
TOTAL	\$ (14,163,797)

21. RISK MANAGEMENT

WWU participates in the State of Washington Self-Insurance Liability Program (SILP). Premiums to the State are based on a formula for allocating costs to participating state agencies, including higher education institutions, based on an independent actuarial study of the state's projected liabilities. WWU also maintains various commercially obtained liability insurance policies that provide coverage for certain exclusions under the SILP. During the past three fiscal years, no settlements have been greater than the insurance coverage.

WWU participates in the State's L&I Workers Compensation Insurance Program for all employees. In addition, WWU purchases "all risk" buildings, contents

and business interruption insurance for the Housing and Dining System, Wade King Student

Recreation Center, Viking Union Complex, and other auxiliaries through its participation in the State of Washington Alliant Property Insurance Program (APIP). At a minimum, coverage is maintained in accordance with applicable Master Bond Resolutions.

WWU has been named in tort claims and lawsuits. While the final outcome of these matters cannot be predicted with certainty, it is WWU's opinion that the ultimate liability will not materially affect the financial statement, and that WWU's liability insurance programs are adequate to pay all defense and settlement expenses related to these tort claims and lawsuits.

22. COMMITMENTS

Goods and services for operating and capital projects, contracted for but not yet received, are considered commitments at year end. The amount of these commitments at June 30, 2022 and 2021 are:

	2022	2021
Operating	8,652,373.48	6,429,160.87
Research	1,171,934.17	456,131.12
Capital Projects	7,680,392.41	22,846,610.26
Total Commitments	\$17,504,700	\$29,731,902

23. JOINT VENTURE

In FY 2010, WWU participated in the formation of a not-for-profit corporation titled Western Crossing Development Corporation (WCDC). WCDC was formally incorporated pursuant to the articles of incorporation dated October 7, 2009, and is a 501(c)(3) corporation under the Internal Revenue code of 1986, amended. The five member Board of Directors includes a member of WWU Board of Trustees appointed by WWU Board of Trustees, the President of WWU, a member of the Commission of the Port of Bellingham appointed by the Commission of the Port, the Executive Director of the Port of Bellingham, and a fifth board member who was appointed by a majority vote of the other four board members who are not affiliated with either entity. The board of directors may in the future allow other Washington governments or educational institutions to become members under such

terms and conditions as they determine. The purpose of this joint venture is to help facilitate the timely development of new facilities on the Bellingham waterfront. This investment is not reflected on WWU's Statement of Net Position. During FY 2014, WWU transferred \$723 thousand in land and \$524 thousand in buildings, net to the WCDC to facilitate WWU development on the waterfront. To date, there has been no financial activity related to WCDC. During FY 2020, WCDC sold its land and buildings for \$1,800,000 and received cash in the amount of \$1,673,905, after sale expenses. The funds were placed in the LGIP. The cash balances are \$1,691,735 and \$1,683,422 at June 30, 2022 and 2021, respectively. During FY 2022 WWU and the Port of Bellingham decided to begin the process to dissolve WCDC. Funds will be distributed based on the contract. During FY 2022, WWU and the Port of Bellingham each agreed that WCDC should be dissolved. This dissolution will occur during FY 2023.

RSI

Required Supplementary Information

PENSION PLAN INFORMATION**Cost Sharing Employer Plans**

Schedules of WWU's Proportionate Share of the Net Pension Liability

Schedule of WWU's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS) Plan 1
 Measurement Date of June 30 *
 (dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
WWU PERS 1 employers' proportion of the net pension liability	0.320%	0.315%	0.327%	0.314%	0.309%	0.303%	0.302%	0.295%
WWU PERS 1 employers' proportionate share of the net pension liability	\$16,130	\$16,483	\$17,547	\$14,894	\$13,801	\$11,641	\$10,657	\$3,603
WWU PERS 1 employers' covered-employee payroll	\$33,355	\$34,435	\$38,407	\$38,214	\$40,526	\$45,559	\$45,575	\$31,410
WWU PERS 1 employers' proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.36%	47.87%	45.69%	38.97%	34.05%	25.55%	23.38%	11.47%
Plan fiduciary net position as a percentage of the total pension liability	61.19%	59.10%	57.03%	61.24%	63.22%	67.12%	68.64%	88.74%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of WWU's Proportionate Share of the Net Pension Liability/(Asset)

**Schedule of WWU's Proportionate Share of the Net Pension Liability/(Asset)
Public Employees' Retirement System (PERS) Plan 2/3**
Measurement Date ended June 30 *
(dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
WWU PERS 2/3 employers' proportion of the net pension liability	0.367%	0.373%	0.390%	0.379%	0.378%	0.380%	0.386%	0.378%
WWU PERS 2/3 employers' proportionate share of the net pension liability	\$7,421	\$13,333	\$19,630	\$13,175	\$6,458	\$3,689	\$4,930	(\$37,692)
WWU PERS 2/3 employers' covered-employee payroll	\$31,601	\$33,088	\$37,093	\$37,188	\$39,831	\$28,311	\$45,331	\$45,543
WWU PERS 2/3 employers' proportionate share of the net pension liability as a percentage of its covered-employee payroll	23.48%	40.30%	52.92%	35.43%	16.21%	13.03%	10.88%	-82.76%
Plan fiduciary net position as a percentage of the total pension liability	93.29%	89.20%	85.82%	90.97%	95.77%	97.77%	97.22%	120.29%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION**Cost Sharing Employer Plans**

Schedules of WWU's Proportionate Share of the Net Pension Liability

Schedule of WWU's Proportionate Share of the Net Pension Liability								
Teachers' Retirement System (TRS) Plan 1								
Measurement Date of June 30 *								
(dollars in thousands)								
	2014	2015	2016	2017	2018	2019	2020	2021
WWU TRS 1 employers' proportion of the net pension liability	0.016%	0.022%	0.021%	0.023%	0.031%	0.035%	0.045%	0.047%
WWU TRS 1 employers' proportionate share of the net pension liability	\$485	\$689	\$709	\$708	\$894	\$870	\$1,088	\$313
WWU TRS 1 employers' covered-employee payroll	\$597	\$890	\$939	\$1,254	\$1,926	\$524	\$3,468	\$3,687
WWU TRS 1 employers' proportionate share of the net pension liability as a percentage of its covered-employee payroll	81.21%	77.51%	75.56%	56.45%	46.42%	166.00%	31.37%	8.50%
Plan fiduciary net position as a percentage of the total pension liability	68.77%	65.70%	62.07%	65.58%	66.52%	70.37%	70.55%	91.42%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of WWU's Proportionate Share of the Net Pension Liability/(Asset)

**Schedule of WWU's Proportionate Share of the Net Pension Liability/(Asset)
Teachers' Retirement System (TRS) Plan 2/3**
Measurement Date ended June 30 *
(dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
WWU TRS 2/3 employers' proportion of the net pension liability	0.011%	0.016%	0.019%	0.022%	0.029%	0.034%	0.045%	0.046%
WWU TRS 2/3 employers' proportionate share of the net pension liability	\$35	\$134	\$258	\$203	\$132	\$205	\$687	(\$1,253)
WWU TRS 2/3 employers' covered-employee payroll	\$470	\$742	\$900	\$1,203	\$1,855	\$524	\$3,425	\$3,650
WWU TRS 2/3 employers' proportionate share of the net pension liability as a percentage of its covered-employee payroll	7.55%	18.01%	28.62%	16.84%	7.13%	39.12%	20.06%	-34.33%
Plan fiduciary net position as a percentage of the total pension liability	96.81%	92.48%	88.72%	93.14%	96.88%	96.36%	91.72%	113.72%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of WWU's Proportionate Share of the Net Pension Liability/(Asset)

**Schedule of WWU's Proportionate Share of the Net Pension Liability/(Asset)
Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2**
Measurement Date of June 30 *
(dollars in thousands)

	2014	2015	2016	2017	2018	2019	2020	2021
WWU LEOFF 2 employers' proportion of the net pension liability (asset)	0.057%	0.056%	0.052%	0.054%	0.061%	0.062%	0.055%	0.054%
WWU LEOFF 2 employers' proportionate share of the net pension liability (asset)	(\$753)	(\$575)	(\$303)	(\$753)	(\$1,239)	(\$1,432)	(\$1,117)	(\$3,110)
WWU LEOFF 2 employers' covered-employee payroll	\$948	\$974	\$945	\$1,032	\$1,217	\$1,424	\$1,236	\$1,238
WWU LEOFF 2 employers' proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(79.43%)	(58.97%)	(32.03%)	(72.97%)	(101.84%)	(100.57%)	(90.33%)	(251.28%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	116.75%	111.67%	106.04%	113.36%	118.50%	119.43%	115.83%	142.00%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION

Agent Employer Plan

Schedule of Changes in WWUSRP Net Pension Liability and Related Ratios

Schedule of Changes in WWU's Net Pension Liability and Related Ratios						
WWUSRP						
Fiscal Year ended June 30 *						
(dollars in thousands)						
	2017	2018	2019	2020	2021	2022
WWUSRP total pension liability-Beginning	\$28,623	\$22,820	\$20,962	\$27,037	\$35,442	\$13,327
Service Cost	1,057	737	551	699	922	233
Interest	842	837	825	962	798	982
Difference between expected and actual experience	(5,277)	(2,234)	2,297	1,961	(15,050)	5,263
Changes in assumptions	(2,126)	(819)	2,822	5,269	(8,260)	1,524
Benefits payments	(298)	(380)	(420)	(486)	(525)	(586)
Net change in total pension liability	(5,803)	(1,858)	6,075	8,405	(22,115)	7,416
WWUSRP total pension liability-Ending	<u>\$22,820</u>	<u>\$20,962</u>	<u>\$27,037</u>	<u>\$35,442</u>	<u>\$13,327</u>	<u>\$20,743</u>
Plan Fiduciary Net Position ***					\$5,255	\$5,488
WWUSRP net pension liability-Ending					<u>\$8,072</u>	<u>\$15,255</u>
WWU URP employers' covered-employee payroll	\$54,916	\$54,645	\$52,783	\$51,633	\$48,080	\$47,754
WWUSRP total or net pension liability as a percentage of its covered-employee payroll (net as of FY 21)	41.55%	38.36%	51.22%	68.64%	16.79%	31.95%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

** Includes amount to resolve OSA rounding issue

*** Consistent with GASB No. 67/68, plan assets are included in financial reporting beginning in FY 21

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 1 Fiscal Year Ended June 30									
Fiscal Year	Contractually Required Contributions	Contributions related to covered payroll of employees participating in PERS plan 1	UAAL contributions related to covered payroll of employees participating in PERS plan 2/3	Total contributions in relation to the Actuarially Determined Contributions	Contribution deficiency (excess)	Covered payroll of employees participating in PERS 1	Covered payroll of employees participating in PERS 2/3	Total covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$1,452,350	\$124,718	\$1,327,632	\$1,452,350	\$0	\$1,347,236	\$33,087,603	\$34,434,839	4.22%
2016	\$1,855,009	\$128,029	\$1,726,980	\$1,855,009	\$0	\$1,313,918	\$37,093,105	\$38,407,024	4.83%
2017	\$1,890,122	\$116,851	\$1,773,271	\$1,890,122	\$0	\$1,026,073	\$37,187,945	\$38,214,019	4.95%
2018	\$2,067,033	\$90,772	\$1,976,261	\$2,067,033	\$0	\$695,644	\$39,830,763	\$40,526,407	5.10%
2019	\$2,171,774	\$63,127	\$2,108,647	\$2,171,774	\$0	\$95,855	\$28,310,536	\$28,406,391	7.65%
2020	\$2,182,812	\$29,286	\$2,153,526	\$2,182,812	\$0	\$227,732	\$45,331,078	\$45,558,810	4.79%
2021	\$2,196,536	\$4,192	\$2,192,344	\$2,196,536	\$0	\$32,409	\$45,542,691	\$45,575,100	4.82%
2022	\$1,739,699	\$0	\$1,739,699	\$1,739,699	\$0	\$0	\$31,409,895	\$31,409,895	5.54%
2023									
2024									

Notes: These schedules will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 2/3 Fiscal Year Ended June 30					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$1,814,105	\$1,814,105	\$0	\$33,087,603	5.48%
2016	\$2,317,072	\$2,317,072	\$0	\$37,093,105	6.25%
2017	\$2,381,845	\$2,381,845	\$0	\$37,187,945	6.40%
2018	\$2,987,978	\$2,987,978	\$0	\$39,830,763	7.50%
2019	\$3,208,620	\$3,208,620	\$0	\$28,310,536	11.33%
2020	\$3,646,374	\$3,646,374	\$0	\$45,558,810	8.00%
2021	\$3,668,829	\$3,668,829	\$0	\$45,575,100	8.05%
2022	\$2,983,455	\$2,983,455	\$0	\$31,409,895	9.50%
2023					
2024					

Notes: These schedules will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Teachers' Retirement System (TRS) Plan 1 Fiscal Year Ended June 30									
Fiscal Year	Contractually Required Contributions	Contributions related to covered payroll of employees participating in TRS plan 1	UAAL contributions related to covered payroll of employees participating in TRS plan 2/3	Total contributions in relation to the Actuarially Determined Contributions	Contribution deficiency (excess)	Covered payroll of employees participating in TRS 1	Covered payroll of employees participating in TRS 2/3	Total Covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$48,962	\$15,275	\$33,688	\$48,962	\$0	\$147,013	\$742,495	\$889,508	5.50%
2016	\$63,258	\$7,056	\$56,202	\$63,258	\$0	\$38,746	\$900,164	\$938,910	6.74%
2017	\$82,019	\$7,003	\$75,016	\$82,019	\$0	\$50,329	\$1,203,485	\$1,253,814	6.54%
2018	\$127,383	\$7,418	\$119,966	\$127,383	\$0	\$70,987	\$1,854,602	\$1,925,590	6.62%
2019	\$174,321	\$6,600	\$167,720	\$174,321	\$0	\$0	\$523,851	\$523,851	33.28%
2020	\$237,005	\$6,704	\$230,301	\$237,005	\$0	\$43,261	\$3,424,664	\$3,467,924	6.83%
2021	\$255,982	\$5,879	\$250,103	\$255,982	\$0	\$37,350	\$3,649,601	\$3,686,951	6.94%
2022	\$257,944	\$8,300	\$249,644	\$257,944	\$0	\$4,210	\$705,736	\$709,946	36.33%
2023									
2024									

Notes: These schedules will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Teachers' Retirement System (TRS) Plan 2/3 Fiscal Year Ended June 30					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$47,636	\$47,636	\$0	\$742,495	6.42%
2016	\$62,047	\$62,047	\$0	\$900,164	6.89%
2017	\$83,497	\$83,497	\$0	\$1,203,485	6.94%
2018	\$132,209	\$132,209	\$0	\$1,854,602	7.13%
2019	\$184,232	\$184,232	\$0	\$523,851	35.17%
2020	\$269,950	\$269,950	\$0	\$3,424,664	7.88%
2021	\$284,668	\$284,668	\$0	\$3,649,601	7.80%
2022	\$327,260	\$327,260	\$0	\$705,736	46.37%
2023					
2024					

Notes: These schedules will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedules of Contributions

Schedule of Contributions Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2 Fiscal Year Ended June 30					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$85,058	\$85,058	\$0	\$974,206	8.73%
2016	\$81,330	\$81,330	\$0	\$945,010	8.61%
2017	\$87,594	\$87,594	\$0	\$1,032,322	8.49%
2018	\$106,591	\$106,591	\$0	\$1,216,785	8.76%
2019	\$116,573	\$116,573	\$0	\$1,424,194	8.19%
2020	\$108,407	\$108,407	\$0	\$1,236,117	8.77%
2021	\$108,709	\$108,709	\$0	\$1,237,654	8.78%
2022	\$107,967	\$107,967	\$0	\$993,142	10.87%
2023					
2024					

Notes: These schedules will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Agent Employer Plan

Schedules of Contributions

Schedule of Contributions WWUSRP Plan Fiscal Year Ended June 30					
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered employee payroll	Contributions as a percentage of covered employee payroll
2021	\$196,000	\$196,000	\$0	\$48,080,055	0.41%
2022	\$226,000	\$226,000	\$0	\$47,753,729	0.47%
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					

Notes: These schedules will be built prospectively until they contain ten years of data.

OPEB INFORMATION

Cost Sharing Healthcare Plans

Schedules of WWU's changes in Total OPEB Liability

Schedule of WWU's Changes in Total OPEB Liability and Related Ratios

Fiscal Year Ended June 30 *
(dollars in thousands)

	2018	2019	2020	2021	2022
Total OPEB Liability-Beginning	\$100,201	\$94,060	\$82,553	\$94,104	\$96,023
Service Cost	\$6,377	\$5,161	\$3,810	\$3,985	\$5,009
Interest	\$2,987	\$3,548	\$3,305	\$3,333	\$2,165
Difference between expected and actual experience	\$0	\$3,239	\$0	-\$511	\$0
Changes in assumptions	-\$14,570	-\$22,596	\$6,155	\$2,161	\$925
Benefits payments	-\$1,522	-\$1,499	-\$1,512	-\$1,587	-\$1,649
Change in proportionate share	\$588	\$638	-\$207	-\$2,067	-\$2,249
Other				-\$3,395	
Total OPEB liability-ending	\$94,060	\$82,553	\$94,104	\$96,023	\$100,224
WWU employers' covered-employee payroll	\$148,917	\$155,757	\$167,296	\$167,901	\$173,324
WWU employers' proportionate share of total OPEB liability as a percentage of its covered-employee payroll	67.29%	60.39%	56.25%	57.19%	57.82%

* As of June 30; this schedule is to be built prospectively until it contains ten years of data.

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION**Plans administered by DRS**

The Office of the State Actuary (OSA) calculates the actuarially determined contributions (ADC) based on the results of an actuarial valuation consistent with the state's funding policy defined in Chapter 41.45 RCW.

Consistent with the state's contribution-rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. For example, the actuarial valuation with a June 30, 2017 valuation date, completed in the Fall of 2018, plus any supplemental contribution rates from the preceding legislative session, determines the ADC for the period beginning July 1, 2019, and ending June 30, 2021.

Additional Considerations on ADC for All Plans: OSA calculates the ADC consistent with the methods described above. Adopted contribution rates could be different pending the actions of the governing bodies.

For cost-sharing plans, OSA calculates the contractually required contributions (CRC) using the same assumptions and methods as the ADC, except that the CRC reflect the adopted contribution rates for the time period shown. These might differ from the contribution rates produced for the ADC.

Plans administered by the University

On July 1, 2020, the state of Washington established a trust for contributions paid by WWU for the benefit of Western Washington University's Supplemental Retirement Plan (WWUSR) in accordance with Revised Code of Washington 41.50.075. As a result, the applicable accounting guidance for the WWUSR has changed to GASB codification section P20 "Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specific Criteria." This event gives rise to a change in WWU's estimates of future obligations, deferrals and pension expense related to the WWUSR. WWU will now report the plan's net pension liability (total pension liability less the plan's fiduciary net position). Prior to this change in estimate WWU reported the plan's total pension liability. In addition, under GASB P20 the discount rate used to value the ending liability has changed to the expected investment return on plan assets. As such, WWU has changed from using the Bond Buyer's 20 Bond Index (2.21% for the fiscal year 2020 liability) to using the

expected investment return on plan assets (7.40% for the fiscal year 2021 liability).

Material assumption changes during the fiscal year 2021 measurement period include an increase in the total salary growth rate (3.50% to 3.75%), an increase in the discount rate (2.21% to 7.40%), an increase in the TIAA rate (4.00% to 4.25%), and an increase in the CREF rate (6.25% to 6.50%). Under GASB 67/68, the discount rate is now based on the long-term expected rate of return on pension plan investments, which led to the increase in the discount rate used to measure the Total Pension Liability (7.40%). The Total Pension Liability is now compared against the plan's Fiduciary Net Position to determine the Net Pension Liability.

Material assumption changes during the fiscal year 2020 measurement period include updating the GASB 73 discount rate from 3.50% to 2.21% ("Change in assumption" which increased the TPL). Additionally, the fiscal year 2020 returns for the Teachers Insurance and Annuity Association of America (TIAA) and CREF investments were used to determine a member's assumed income. Those returns were 4.12 percent for TIAA and 2.31 percent for CREF. This resulted in an increase in the TPL.

OPEB Plan administered by the Healthcare Authority of Washington State

The OPEB Plan has no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4 to pay related benefits. Material assumption changes during the fiscal year 2020 measurement period relate to a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 3.50% for the June 30, 2019 measurement date, to 2.21% for the June 30, 2020 measurement date. Other material assumption changes included lowering the forecast of future healthcare cost trends. This resulted in an increase in the TOL. Legislation under H.R. 1865 repealed the excise tax after the previous measurement date. The impact of removing trends that include Excise Tax resulted in a decrease in TOL.

Material assumption changes during the fiscal year 2019 measurement period relate to a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 3.87% for the June 30, 2018 measurement date, to 3.50% for the June 30, 2019 measurement date.





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HOUSING AND DINING SYSTEM

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**Office of the Washington State Auditor
Pat McCarthy**

November 18, 2022

Board of Trustees
Western Washington University Housing and Dining System
Bellingham, Washington

Report on Financial Statements

Please find attached our report on the Western Washington University Housing and Dining System's financial statements.

We are issuing this report for inclusion in the System's annual comprehensive financial report package, which will be issued by the System under the System's own cover.

This report is in addition to our regular financial statement audit report, which will be available on our website and includes the System's basic financial statements.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.



**Office of the Washington State Auditor
Pat McCarthy**

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE
FINANCIAL STATEMENTS**

Board of Trustees
Western Washington University Housing and Dining System
Bellingham, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the business-type activities of the Western Washington University Housing and Dining System as of and for the years then ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the System's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Western Washington University Housing and Dining System, as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Matters of Emphasis

As discussed in Note 1, the financial statements of the Western Washington University Housing and Dining System, a department of the University, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the University that are attributable to the transactions of the System. They do not purport to, and do not, present fairly the financial position of the University as of June 30, 2021, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 System'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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audits;
- 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 audits 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 System'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 System's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

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

Other Information

The other information comprises but does not include the basic financial statements and our auditor's report thereon. Management is responsible for the other information included in the financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with the audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated November 18, 2022, on our consideration of the System'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 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 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 System's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

November 18, 2022

HOUSING AND DINING SYSTEM MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2022 and 2021

Overview

Western Washington University's Housing and Dining System (the System) consists of University Residences, University Dining Services and Viking Union/Student Activities. University Residences maintains over a million square feet of living space - home to 4,400 students. Ten residential communities consist of fifteen residence halls and one apartment complex. Residence halls are equipped with laundry facilities, computer labs, study areas, community kitchens, TV lounges, game rooms, bicycle storage, 24-hour security, and staffed service desks. Western's campus is a 20-minute walk from end to end, so no matter where students live their classes and activities are nearby. University Dining Services includes several main dining commons, and multiple retail eateries and provides catering services for the campus. The Viking Union/Student Activities includes facilities on and off the Bellingham campus for gathering, study, dining, and recreation.

The following discussion and analysis provide an overview of the financial position and activities of the System for the years ended June 30, 2022, 2021 and 2020. This discussion has been prepared by management and should be read in conjunction with the financial statements and accompanying notes which follow this section.

Using the Financial Statements

The System's financial report includes the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position and the Statement of Cash Flows.

The statements are formatted following the guidelines of the Governmental Accounting Standards Board (GASB) pronouncements. These financial statements are prepared in accordance with GASB principles, which establish standards for external financial reporting for public colleges and universities. The System's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Impacts of the COVID-19 Pandemic

The COVID-19 pandemic continued to have a slight impact on the System revenues for fiscal year (FY) 2022. Although most classes were delivered in person, on-campus housing remained at 82.3% occupancy for the academic year. Prior to COVID-19, the yearly average was 93%. In FY 2021 and FY 2020 the yearly averages were 26% and 66% respectively. For FY 2022, University Residences kept Beta-Gamma offline for isolation and quarantine space. Summer occupancy was at less than 2%, and the summer conference housing season was minimal. Pre-COVID University Residences housed 250 summer academic students. In FY 2022, there were 80 students and only 50 in FY 2021. The COVID-19 effect on system revenues and expenditures is the primary reason for the financial variances reviewed in this discussion and analysis.

To provide economic relief, the System issued \$21,760,000 in Series 2020 Revenue and Refunding Bonds. Proceeds of the bonds were used to refund, refinance and restructure all or a portion of the debt service (\$11,540,000 principal and \$9,214,288 interest) that will be due and payable during the period from October 1, 2020, through and including October 1, 2022. Bond costs and capitalized interest are included in this issuance.

Statement of Net Position

The Statement of Net Position presents the financial condition of the System at the end of the fiscal years and reports all assets and liabilities of the System.

**HOUSING AND DINING SYSTEM
MANAGEMENT'S DISCUSSION & ANALYSIS**

June 30, 2022 and 2021

The amounts in this statement represent the physical assets used to provide the housing, meal, and student activity programs, as well as assets available to continue the operations of the System, also identifying commitments to vendors and bondholders. The sum of assets and deferred outflows, less liabilities and deferred inflows is net position. Net position is one indicator of the current financial condition of the System.

Below is a condensed view of the Statement of Net Position as of June 30, 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Assets			
Current assets	\$22,212	\$11,220	\$13,195
Noncurrent assets	21,322	24,450	57,913
Capital assets, net	<u>178,567</u>	<u>178,329</u>	<u>146,393</u>
Total assets	222,101	213,998	217,501
Deferred outflows	9,846	10,157	1,419
Liabilities			
Current liabilities	8,623	5,707	9,588
Noncurrent liabilities	<u>138,958</u>	<u>146,157</u>	<u>132,460</u>
Total liabilities	147,581	151,864	142,048
Deferred inflows	1,813	2,004	1,496
Net Position			
Net investment in capital assets	52,476	59,878	67,591
Restricted, expendable	7,016	6,817	6,316
Unrestricted	<u>23,060</u>	<u>3,592</u>	<u>1,469</u>
Total net position	<u>\$82,553</u>	<u>\$70,288</u>	<u>\$75,376</u>

The primary components in the asset category are cash, investments, receivables, and capital assets. Total assets increased by \$8.1 million (3.8%) in FY 2022 and decreased \$3.5 million (-1.6%) in FY 2021.

Total Cash and Investments increased by \$5.0 million (14.2%) in FY 2022 largely due to increased operating activity combined with the partial spending of the remaining bond proceeds. Total Cash and Investments decreased \$32.8 million (-48.3%) in FY 2021 due to spending a large portion of the remaining bond proceeds from the \$68.7 million in Series 2019 revenue bonds. The System issued the bonds to construct a new residence building and renovate existing residence facilities.

The allocation of unrestricted cash and investments between current and noncurrent is governed by Western Washington University's (WWU) investment policy strategy, which is to maximize returns while ensuring liquidity needs and managing interest rate risk. In FY 2022, unrestricted cash and cash equivalents had a slight increase of \$269,105 (5.5%). Total unrestricted investments increased \$12.8 million as excess cash generated from increased

***HOUSING AND DINING SYSTEM
MANAGEMENT'S DISCUSSION & ANALYSIS***

June 30, 2022 and 2021

operating activities was invested. In FY 2021, unrestricted cash and cash equivalents increased \$2.3 million (86.0%) primarily due to the economic relief provided by the issuance of the Series 2020 Refunding bonds.

Depreciable and non-depreciable assets increased slightly by \$238,517 in FY 2022 with the completion of the new residence hall and less purchasing of capital assets. Depreciable and non-depreciable capital assets increased \$31.9 million (22.0%) million in FY 2021, due primarily to increases in construction-in-progress of the new residence hall addition and renovations (e.g., Buchanan Towers) combined with the completion of the Multicultural Center and other capital additions (see Note 3).

The major projects for FY 2022 are the completion of the new residence hall, access control upgrades, Wi-Fi upgrades, and siding replacement in Birnam Wood. The major project in process for FY 2021 was the new residence hall.

Current assets exceed current liabilities by \$13.6 million in FY 2022 as a result of a decrease in accounts payable combined with increases in current debt service and an increase in short-term investments. Current assets exceeded current liabilities by \$5.5 million in FY 2021 primarily due to the restructuring of debt service that eliminated the current portion of bonds payable.

Current assets for FY 2022 increased by \$11.0 million (98.0%) primarily due to increases in cash and cash equivalents and investments as well as an increase in other receivables due to deferred dining commissions and pre-payment reimbursement. Current assets for FY 2021 decreased by \$2.0 million (-15.0%) primarily due to a decrease in other receivables related to dining commissions. Reduced occupancy impacted revenues significantly. The dining commission for FY 2021 was renegotiated with the Systems dining contractor to account for the reduction of meal plan holders and the closure of all dining retail locations on campus.

Current liabilities in FY 2022 increased by \$2.9 million (51.1%) primarily due to a combination of an increase to the current portion of bond principal and interest payables combined with a decrease in accounts payable. Current liabilities for FY 2021 decreased \$3.9 million (-40.5%) primarily due to the restructuring of bonds which deferred principal and interest payments on outstanding bonds to FY 2023 combined with an increase in capital related accounts payable.

Total noncurrent liabilities for FY 2022 decreased by \$7.2 million (-2.8%) primarily due to decreases in long-term bond principal and net OPEB liability. Total noncurrent liabilities for FY 2021 increased \$13.7 million (10.3%) primarily due to the Series 2020 refunding bonds that restructured the outstanding debt service of the System.

The sum of assets and deferred outflows less liabilities and deferred inflows is net position. The change in net position measures whether the overall financial condition has improved or deteriorated during the year and is driven by the difference between revenues and expenses. The total net position increased \$12,265,148 (17.4%) in FY 2022 primarily due to an increase in revenue as operations resumed at near normal levels. Total net position decreased \$5,088,453 in FY 2021. The decrease in net position is due to substantial declines in revenue due to COVID-19.

***HOUSING AND DINING SYSTEM
MANAGEMENT'S DISCUSSION & ANALYSIS***

June 30, 2022 and 2021

Net investment in capital assets decreased by \$7,402,279 (-12.4%) in FY 2022 largely due to depreciation. The decrease of \$7,712,713 (-11.4%) in FY 2021 is due to \$31.9 million increase in net capital assets offset by the corresponding Series 2019 debt combined with increases to long term debt as part of the Series 2020 bond restructuring.

Restricted, expendable increased \$194,433 during FY 2022 primarily due to certain pension plans being fully funded. The Department of Retirement Systems (DRS) managed Public Employee Retirement System (PRS) plans 2 and 3 are fully funded and have a net pension asset rather than a net pension liability (see Note 6). With the deferral of bond payments until FY 2023, bond principal balance remained the same. Restricted, expendable increased \$500,700 in FY 2021. This increase is primarily due to additional funds added to the Systems bond covenant renewal and replacement fund.

In FY 2022, unrestricted net position increased \$19,467,994 (541.9%) primarily due to an increase in revenue as operations resumed at near normal levels and decreased spending on operations and capital. Supply chain and labor shortages impacted planned maintenance projects during the year. Unrestricted net position increased \$2,123,560 (144.6%) in FY 2021 due to various economic relief strategies implemented to reduce the effects of COVID-19.

Statement of Revenues, Expenses and Changes in Net Position

The changes in total net position, as presented in the Statement of Net Position, and are detailed in the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The statement presents the System's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as operating or non-operating.

In general, operating revenues are those received for providing housing, dining, and related services to the customers of the System, the majority of which consists of room and board services to students. Operating expenses are those expenses paid to provide the services and resources to the students in return for the operating revenues.

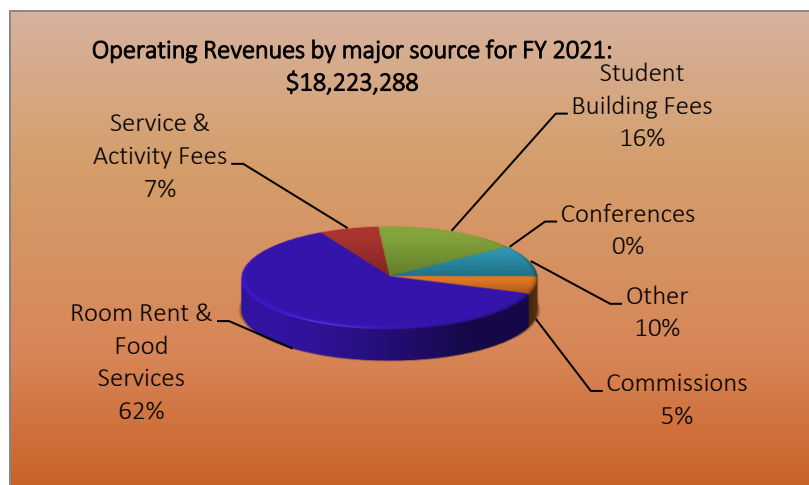
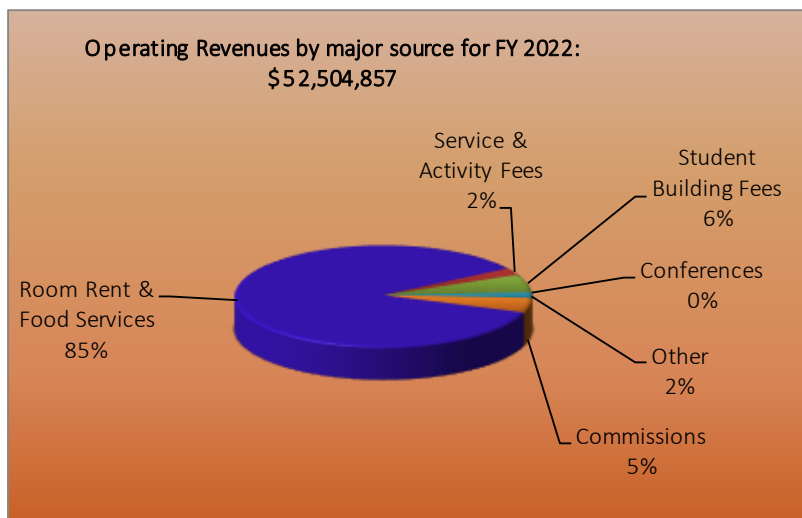
Non-operating revenues are monies received for which goods and services are not provided, such as investment income. Non-operating expenses include interest expense on outstanding debt and amortization of bond costs.

Following is a condensed view of the Statements of Revenues, Expenses and Changes in Net Position for the FY years ended June 30, 2022, 2021, and 2020:

**HOUSING AND DINING SYSTEM
MANAGEMENT'S DISCUSSION & ANALYSIS**

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$52,505	\$18,223	\$39,427
Operating expenses	<u>(39,554)</u>	<u>(24,720)</u>	<u>(41,098)</u>
Income from operations	12,951	(6,497)	(1,671)
Nonoperating revenues	412	320	1,635
Nonoperating expenses	<u>(1,099)</u>	<u>1,088</u>	<u>(3,840)</u>
Increase in Net Position	12,265	(5,088)	(3,876)
Net Position, Beginning of year	<u>70,288</u>	<u>75,376</u>	<u>79,252</u>
Net Position, End of year	<u><u>\$82,552</u></u>	<u><u>\$70,288</u></u>	<u><u>\$75,376</u></u>



**HOUSING AND DINING SYSTEM
MANAGEMENT'S DISCUSSION & ANALYSIS**

June 30, 2022 and 2021

Total operating revenue increased for FY 2022 primarily influenced by increases to room rent and food services revenue.

Room rent and food service revenues increased \$33.7 million (300.6%) in FY 2022 largely due to an increase in occupancy as WWU returned to in person learning. Occupancy remained steady at 82% for the academic year, compared to 26% in FY 2021. The FY 2022 room rental fee average increase was 3.55%. The FY 2021 room rental fee increased 4.5%.

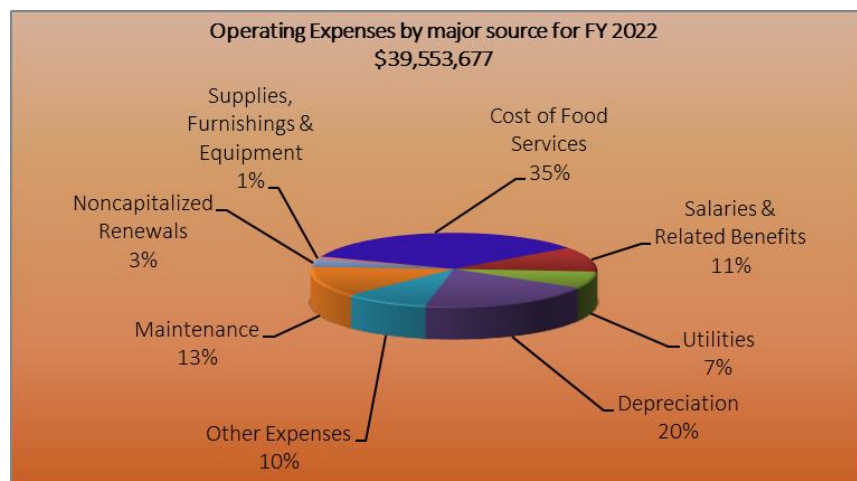
Student building fee revenue increased slightly by \$42,576 (1.4%) due to a fee increase, as enrollment was still down. In FY 2021, Student building fee revenue decreased \$267,188 (-8.3%) due to a decrease in enrollment and temporary reductions in student fees.

Conference revenue increased by \$19,511 (264.3%) for FY 2022 with the resumption of limited conference services. Conference revenue decreased by \$419,860 (-98.3%) in FY 2021 due to the cancellation of summer conferences because of COVID-19.

Viking Union revenue increased in FY 2022 by \$203,503 (102.9%). Across all funds (Viking Union and Recycle Center) the increase in revenue is due to chargeback services being more utilized as campus slowly emerged from the COVID-19 pandemic and remote operations of FY 2021. This includes an increase in the volume of services provided for in-person events and more utilization of recycling services. Revenue decreased \$179,257 (-47.6%) in FY 2021 due to reduced operations of revenue-generating facilities and services like the Viking Union building, Lakewood, and Event Services in response to COVID-19.

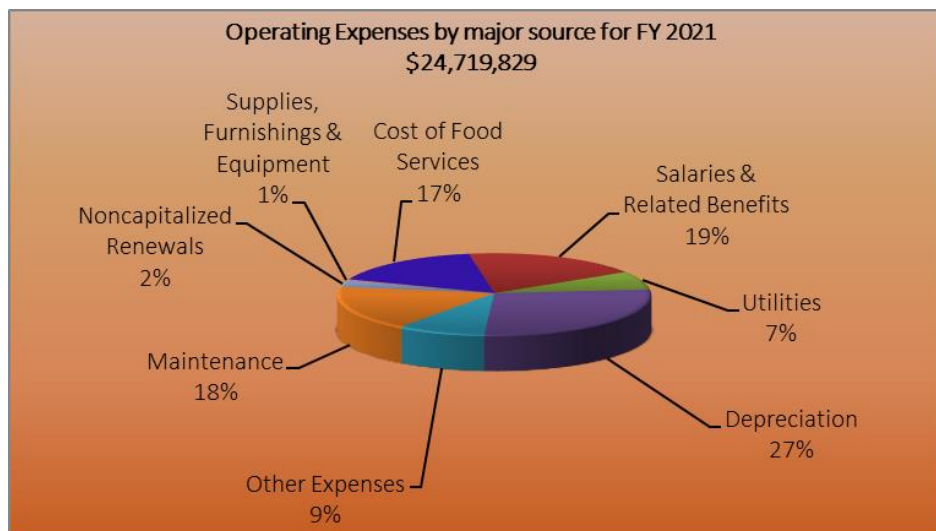
Commission revenue increased \$1,445,320 (143.3%) in FY 2022 due to an increase in meal plan holders and the re-opening of some retail operations. Commission revenue decreased \$1,625,947 (-61.7%) in FY 2021 due to a revised negotiated commission based on a reduced number of meal plan holders.

Fees, penalties, and other income decreased \$1,125,100 (-76.5%) due to one-time payments from Dining Services (Aramark) which offset commissions that were reduced due to COVID-19 reductions. FY 2021 fees, penalties, and other income increased \$1,034,193 (236.8%) due to the dining contribution.



Overall operating expenses increased for FY 2022 by \$14,833,847 (60.0%). A combination of inflation and an increase in occupancy resulted in higher food, and labor maintenance costs. Non-capitalized renewals and replacements that were deferred in prior years were resumed. Overall operating expenses for FY 2021 decreased by \$16,378,019 (-39.9%) because of the COVID-19 pandemic.

Cost of food services for FY 2022 increased by \$9,524,988 (229.6%). With an average occupancy of 82.3% for the FY 2022, the year ended with 3300+ meal plan holders. Cost of food services for FY 2021 decreased by \$7,109,634 (-63%). Although the cost of meal plans was increased by 3.8% the number of meal plan holders was significantly down from previous years.



Salaries and Benefits for FY 2022 decreased \$320,836 (-6.9%). The decrease was primarily due to changes in pension and OPEB reporting combined with an increase in student staffing in the residence halls. Salaries and benefit expense for FY 2021 was reduced by \$3,204,001 (-40.7%) because of continued reduced operating levels. During FY 2021, five residence halls were non-operational and not staffed.

Utilities expense in FY 2022 increased by \$1,104,533 (61.2%) this is in part due to an increase in utility costs as well as all residence halls being back online. Utilities expense in FY 2021 decreased by \$366,649 (-16.9%) due to continued reduced operating levels for the academic year as well as the summer conference season.

Repairs and maintenance expense for FY 2022 increased \$891,375 (20.5%) Maintenance that was previously deferred resumed in FY 2022. Repairs and maintenance expense for FY 2021 increased \$1,157,404 (36.4%) due to an increase in cleaning protocols and modifications needed due to COVID-19.

Furniture and equipment expense for FY 2022 increased \$81,966 (134.9%). The increase is due to much-needed upgrades in residential computer labs. These upgrades were suspended during the COVID-19 pandemic. Furniture and equipment expense for FY 2021 decreased by \$65,309 (-51.8%). Non-essential purchases have been deferred until later due to reduced operations.

HOUSING AND DINING SYSTEM MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2022 and 2021

Depreciation expense increased due to the new residence hall being completed during FY 2022. Depreciation expense decreased by \$212,456 (-3.0%) due to scheduled depreciation on existing assets.

WWU's administrative services assessment (ASA) fee (included in institutional services) increased \$1,475,559 (175.8%) due to increased revenue as operations began to recover from the COVID-19 pandemic. In FY 2021 ASA decreased \$664,976 (-44.2%). This was due to reductions in revenue and food service costs. The rate charged against the System revenues (less food service contract) was 5.775% both years.

Other expenses decreased \$121,782 (-19.1%) and \$438,426 (-40.7%) in FY 2022 and FY 2021, respectively, due to reduced operating levels during COVID-19.

Non-operating expenses (interest & amortization) for FY 2022 increased by \$2,186,235 primarily due to increased bond interest expense as the deferral generated from the series 2020 bonds has ended. Non-operating expenses (interest & amortization) for FY 2021 decreased by \$4,928,043. This is due to restructuring of the debt which deferred interest payments on outstanding bonds to FY 2023.

Non-operating revenue for FY 2022 increased \$92,115 primarily due to an increase in capital contributions offset by reduced interest earnings and Federal COVID-19 relief revenue. Non-operating revenue for FY 2021 decreased by \$1,315,012 due to reduced investment earnings and the return of capital contributions offset by the receipt of Federal COVID-19 relief funds to aid with reduced revenues.

Economic Factors and Significant Events

The COVID-19 pandemic continues to influence enrollment, occupancy, and operations. WWU's fall quarter FY 2022 enrollment headcount of 15,125 represents a 0.47% decrease over fall quarter of FY 2021. However, opening occupancy for fall FY 2022 was significantly higher than that of fall FY 2021. The increase was due to the resumption of in-person classes. Approximately 70% of classes were held either in-person, or a mixture of both in-person and online. For fall 2022, housing demand was high. Not only were freshman coming to campus, but also sophomores, who had yet to experience in-person learning. Management will address housing demands through room capacity practices such as adding or reducing the number of beds in a room.

The System's capital plan has the following goals: provide housing to support the University's enrollment plan; meet or exceed the System's financial principles; invest in infrastructure to ensure System facility longevity, health, and safety needs; and respond to the changing student needs and expectations. The plan is updated every two years. During FY 2020, a consulting firm performed a Housing and Dining Development Assessment to determine the long-range capital needs of the system; essentially updating the System's capital plan. The resulting draft plan identifies options and priorities for future work and includes an interactive financial modeling tool that the University will utilize as it proceeds with its capital planning and adjusts fiscal assumptions over time. An updated Capital Plan was submitted to the Board of Trustees in May 2022.

*HOUSING AND DINING SYSTEM
MANAGEMENT'S DISCUSSION & ANALYSIS*

June 30, 2022 and 2021

The Board of Trustees approved a set of housing and dining principles in 1993 (updated in 2010) to guide the System's financial planning. The six principles address (i) Revenue Fund levels, (ii) Renewal and Replacement Fund levels, (iii) Major maintenance expenditures, (iv) Capital planning efforts, (v) Debt Service Coverage Ratio, and (vi) Occupancy. The System exceeded the minimum requirements established within these principles. The Board periodically reviews the principles to ensure ongoing compliance.

HOUSING AND DINING SYSTEM
STATEMENT OF NET POSITION

June 30, 2022 and 2021

Assets	2022	2021
Current assets		
Cash and cash equivalents (Note 2)	\$5,142,803	\$4,873,698
Investments (Note 2)	7,773,539	4,181,274
Restricted cash and cash equivalents (Note 2)	4,330,150	-
Restricted investments (Note 2)	1,485,674	1,571,503
Accounts receivable, net of allowance of \$63,930 and \$39,254 in 2022 and 2021, respectively	563,014	408,649
Interest receivable	46,816	81,916
Restricted net pension	964,374	-
Other receivables	<u>1,905,526</u>	<u>102,643</u>
Total current assets	22,211,896	11,219,683
Noncurrent assets		
Restricted cash and cash equivalents (Note 2)	666,274	7,408,105
Restricted investments (Note 2)	6,103,910	11,647,941
Investments (Note 2)	14,552,175	5,394,073
Nondepreciable capital assets (Note 3)	584,953	56,157,369
Depreciable capital assets, net (Note 3)	<u>177,982,081</u>	<u>122,171,148</u>
Total noncurrent assets	199,889,393	202,778,636
Total assets	<u>222,101,289</u>	<u>213,998,319</u>
Deferred Outflows		
Deferred loss on bond refunding	9,262,446	9,371,270
Related to pension (Note 6)	334,345	349,842
Related to OPEB (Note 7)	<u>248,860</u>	<u>435,527</u>
Total deferred outflows	9,845,651	10,156,639
Liabilities		
Current liabilities		
Accounts payable	898,446	4,356,648
Accrued expenses	215,472	168,850
Residents' housing deposits	960,457	830,129
Unearned revenues	181,004	167,576
Bonds interest payable	1,169,633	118,100
Current portion of bonds payable (Note 4)	5,160,000	-
Current portion of pension liability (Note 4, 6)	-	-
Current portion of OPEB liability (Note 7)	<u>37,753</u>	<u>65,675</u>
Total current liabilities	8,622,765	5,706,978
Noncurrent liabilities		
Compensated Absences	415,240	396,859
Bonds payable, less current portion (Note 4)	135,984,825	141,234,942
Net pension liability (Note 4, 6)	301,985	856,891
Net OPEB liability (Note 7)	<u>2,256,226</u>	<u>3,668,117</u>
Total noncurrent liabilities	138,958,276	146,156,809
Total liabilities	<u>147,581,041</u>	<u>151,863,787</u>
Deferred Inflows		
Related to bonds	5,537	477,939
Related to pension (Note 6)	1,250,142	534,808
Related to OPEB (Note 7)	<u>557,496</u>	<u>990,848</u>
Total deferred inflows	1,813,175	2,003,595
Net Position		
Net investment in capital assets	52,476,065	59,878,344
Restricted, expendable	7,016,433	6,817,000
Unrestricted	<u>23,060,226</u>	<u>3,592,232</u>
Total net position	<u>\$82,552,724</u>	<u>\$70,287,576</u>

HOUSING AND DINING SYSTEM
STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

For the Years Ended
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Room rent and food services	\$44,916,670	\$11,213,517
Service and activity fees	1,200,918	1,215,357
Student building fees	2,995,650	2,953,074
Conferences	26,894	7,383
Viking Union income	401,184	197,681
Rent	164,720	157,674
Commissions	2,452,958	1,007,638
Fees, penalties, and other income	345,864	1,470,964
Total operating revenue	<u>52,504,858</u>	<u>18,223,288</u>
Operating Expenses		
Cost of food services	13,673,083	4,148,096
Salaries and related benefits	4,344,911	4,665,747
Utilities	2,908,824	1,804,291
Repairs and maintenance	5,229,040	4,337,665
Communications	109,741	134,986
Insurance	824,671	610,136
Supplies	367,866	97,247
Furniture and equipment	142,712	60,746
Institutional services	2,314,792	839,233
Depreciation	7,793,679	6,799,398
Noncapitalized renewals and replacements	1,327,766	583,911
Other	516,592	638,374
Total operating expenses	<u>39,553,677</u>	<u>24,719,830</u>
(Loss)/Income from operations	<u>12,951,181</u>	<u>(6,496,541)</u>
Nonoperating Revenues (Expenses)		
Investment income	212,382	227,792
Other Capital Contribution	200,000	(822,252)
Federal COVID-19 relief revenue	-	914,727
Interest expense	(1,079,708)	1,072,295
Amortization of bond discounts and premiums	(18,707)	15,525
Total nonoperating (expenses) revenues	<u>(686,033)</u>	<u>1,408,087</u>
(Decrease)/Increase in net position	<u>12,265,148</u>	<u>(5,088,453)</u>
Net Position, Beginning of Year	<u>70,287,576</u>	<u>75,376,029</u>
Net Position, End of Year	<u><u>\$82,552,724</u></u>	<u><u>\$70,287,576</u></u>

HOUSING AND DINING SYSTEM
STATEMENT OF CASH FLOWS

For the Years Ended
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Cash received from students and other customers	50,691,367	\$21,256,425
Cash paid to employees	(6,741,879)	(4,728,641)
Cash paid to suppliers	<u>(26,897,267)</u>	<u>(13,146,413)</u>
Net cash flows provided by operating activities	17,052,221	3,381,371
Cash Flows from Capital and Related Financing Activities		
Proceeds from capital debt	-	-
Interest earned on bond proceeds	23,595	401,274
Capital Contribution	200,000	(822,252)
Payment of long-term debt	-	305,028
Interest payments	(500,577)	477,939
Purchase of capital assets	<u>(12,021,195)</u>	<u>(37,559,087)</u>
Net cash flows provided/(used) by capital and related financing activities	(12,298,177)	(37,197,098)
Cash Flows from Noncapital Financing Activities		
Federal COVID Relief Funds	-	914,727
Net cash flows provided/(used) by noncapital financing activities	-	914,727
Cash Flows from Investing Activities		
Investment income received	223,887	104,888
Net proceeds (purchase) of restricted investments	5,629,860	42,734,772
Net proceeds (purchase) of investments	<u>(12,750,367)</u>	<u>(3,188,611)</u>
Net cash flows (used in) provided by investing activities	<u>(6,896,620)</u>	<u>39,651,049</u>
Net change in cash and cash equivalents	(2,142,576)	6,750,049
Cash and Cash Equivalents, Beginning of Year	<u>12,281,803</u>	<u>5,531,754</u>
Cash and Cash Equivalents, End of Year	<u>\$10,139,227</u>	<u>\$12,281,803</u>
Reconciliation of Operating Income to Net Cash Provided to Operating Activities		
Operating income	12,951,181	(6,496,541)
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	7,793,679	6,799,398
Loss on disposal of fixed asset	-	-
Change in operating assets and liabilities		
Accounts receivable	(154,365)	(96,822)
Other receivables	(1,802,883)	2,460,717
Accounts payable	517,822	108,272
Accrued salaries and benefits	77,979	(106,715)
Residents' housing deposits	130,328	558,412
Pension and OPEB assets, liabilities and related deferred outflows and inflows of resources	(2,474,947)	43,822
Unearned revenue	<u>13,428</u>	<u>110,829</u>
Cash flows from operating activities	<u>\$17,052,221</u>	<u>\$3,381,371</u>
Supplemental Disclosure of Noncash Capital and Related Financing Activities		
Change in capital asset additions included in accounts payable	<u>(\$3,988,998)</u>	<u>\$1,175,539</u>

HOUSING AND DINING SYSTEM

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Western Washington University Housing and Dining System (the System) is a self-supporting, auxiliary enterprise of Western Washington University (WWU). The System operates residence halls and dining commons, an apartment complex, the Commissary/Warehouse, the Viking Union Complex and Lakewood Recreational Facility. These operations are located on or near WWU campus.

Financial Statement Presentation

The financial statements are presented in accordance with generally accepted accounting principles (GAAP) and follow guidance given by the Governmental Accounting Standards Board (GASB). These statements are special purpose reports reflecting the net position, results of operations, and cash flows of the System. The financial statements present only a selected portion of the activities of WWU. As such, they are not intended to and do not present either the financial position, results of operations, or changes in net position of WWU.

Basis of Accounting

The System's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

Cash, Cash Equivalents, and Investments

WWU records all cash, cash equivalents and investments at fair value. To maximize investment income, WWU combines funds from all departments into an investment pool. The System records their share of cash, cash equivalents and investments in the same relation as WWU's investment pool itself. Investment income is allocated to the System in proportion to its average balance in the investment pool.

Accounts Receivable

Receivables are primarily from students of WWU and are unsecured. The System considers all accounts past due when they remain unpaid after their due dates. An allowance based on historical collection rates is established for recognizing potential bad debts. When an account is deemed uncollectible, it is written off against the allowance.

Capital Assets

The capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life of greater than one year. The basis of valuation for assets purchased or constructed is cost. The costs of normal maintenance and repairs that do not increase the value of the assets or materially extend asset lives are charged to operating expense in the year the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets: 40 years for buildings and building improvements, 20 to 25 years for infrastructure and other improvements, and 5 to 7 years for furniture, fixtures, and equipment.

Compensated Absences

The accrued leave balances as of June 30, 2022, and 2021 are \$415,240 and \$,396,859, respectively. This consists of unused vacation leave and compensatory time earned for exempt professionals and classified staff. It also includes a percentage of earned and unused sick leave for exempt professionals and classified staff. For reporting

purposes, the entire balance of accrued leave is considered a noncurrent liability as more leave is accrued than used.

Bond Deferred Outflows/Deferred Inflows

The System classifies gains on retirement of debt as deferred inflows of resources and losses as deferred outflows of resources and amortizes such amounts as a component of interest expense over the remaining life of the old debt, or the new debt, whichever is shorter.

Unearned Revenue

Summer quarter, which is the first quarter of WWU's fiscal year, begins shortly before June 30. The majority of cash received for room and board fees related to summer session are recorded as unearned revenue until the following fiscal year when the revenue is earned.

Cost-Sharing Pension Plans

The net pension asset or liability is measured as the System's proportionate share of the collective total pension liability, less the fiduciary net position, of the cost-sharing pension plans in which the System participates. The total pension liability is determined by discounting projected benefit payments based on the benefit terms and legal agreements existing at the pension plan's fiscal year-end. Projected benefit payments are required to be discounted using a single rate that reflects the expected rate of return on investments, to the extent that plan assets are available to pay benefits. The System's proportionate share is determined based on the relationship of the System contributions to total contributions to the plan by all participating employers. Pension expense is recognized for benefits earned during the period, interest on the unfunded liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows of resources or deferred outflows of resources and are recognized over the average expected remaining service period for employees eligible for pension benefits. Differences between expected and actual investment returns are reported as deferred inflows of resources or deferred outflows of resources and are recognized over five years. Contributions made to the plan subsequent to the measurement date and prior to the System's fiscal year-end are reported as a deferred outflow of resources and recognized in the subsequent fiscal year. The measurement date for the net pension asset or liability is June 30 of the prior fiscal year.

Single Employer Pension Plan (WWU Supplemental Retirement Plan)

Legislation signed into law on July 1, 2020, amended the RCW applicable to the WWUSRP to define plan provisions including limits on member eligibility, benefit payments, vesting terms and contribution rates. As a result of these amendments, the System is unable to modify the terms of the plan. Administration of the benefit calculations and payments remain the responsibility of WWU until the state's Pension Funding Council determines the trust has sufficient assets, at which time the Department of Retirement Systems will assume those duties in accordance with RCW 41.50.280. Other agencies of the state of Washington perform the duties of a board and hold the substantive powers in relation to the WWUSRP. The System does not perform the duties of a board or hold any of the substantive powers that would make the plan a fiduciary component unit of the University. The total pension liability is determined by discounting projected benefit payments for current participants and retirees, based on the benefit terms and legal agreements existing at the pension plan's fiscal year-end. The discount rate used for the total pension liability reflects the expected rate of return on investments, to the extent that plan assets are available to pay retiree benefits. The WWUSRP net liability represents the total pension liability less the plan's fiduciary net position.

HOUSING AND DINING SYSTEM

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Pension expense is recognized for benefits earned during the period, interest on the unfunded liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows of resources or deferred outflows of resources and are recognized over the average expected remaining service

Net Position

The System's net position is classified as follows:

- *Net Investment in Capital Assets* - Represents the System's total investment in capital assets, net of outstanding debt obligations related to those capital assets.
- *Restricted, Expendable* - Restricted net position represent resources restricted for pensions or by bond covenants for system renewals and replacements.
- *Unrestricted* - Unrestricted net position represent resources derived from operations and investing activities.

Classification of Revenues and Expenses

The System has classified its revenue and expenses as either operating or non-operating according to the following criteria:

Operating revenues. Operating revenues include activities that have the characteristics of exchange transactions, such as sales and services.

Operating expenses. Operating expenses are those incurred in daily operations such as salaries and wages, benefits, utilities and supplies.

Non-operating revenues. Non-operating revenues include activities that have the characteristics of non-exchange transactions such as investment income.

Non-operating expenses. Non-operating expenses include costs related to financing or investing activities such as interest on indebtedness and amortization of bond costs.

Premiums/Discounts

Bond premiums and discounts are amortized over the term of the bonds using the effective interest method. The remaining balances of bond premiums/discounts are presented in the Statement of Net Position net of the face amount of bonds payable.

Administrative Assessment

WWU provides support to the System through cash and debt management, accounting, human resources, purchasing and accounts payable services, risk management, and other support services. The effects of these transactions are included as institutional services in these financial statements. The amount paid was \$2,037,129 and \$629,233 which was 5.775% of revenues (less food service contract) for the years ending June 30, 2022, and 2021, respectively.

Tax Exemptions

WWU, and the System as an auxiliary enterprise, is a tax-exempt instrumentality of the State of Washington under the provisions of Section 115(a) of the Internal Revenue Code and are exempt from federal income taxes on related income.

Estimates

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

NOTE 2. CASH, CASH EQUIVALENTS AND INVESTMENTS

The System's operating cash is part of WWU's internal investment pool. The pool is invested in demand deposits, time certificates of deposit, the Washington State Local Government Investment Pool (LGIP), corporate notes, commercial paper, municipals, supranationals, and U.S. Treasury and Agency securities.

Bank balances (including time certificates of deposit) are insured by the Federal Deposit Insurance Corporation (FDIC) or by a collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by GASB 79 for external investment pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The System's restricted investments of \$7,589,584 and \$13,219,444 at June 30, 2022 and 2021 respectively are restricted for unspent bond proceeds, renewals and replacements. Restricted investments include \$3,211,512 and \$9,920,616 at June 30, 2022 and 2021 respectively that are separately invested from the University's investment pool, in time certificates of deposit, municipals, and U.S. Treasury and Agency securities.

Credit (Quality) Risk

Credit risk is the risk that an issuer or other counterparty will not fulfill its obligations. Per Statute and policy, minimum ratings for each investment type by Standard & Poor's/Moody's respectively are as follows: corporate notes, A-/A3; commercial paper, A1+/P1; municipals, A-/A3; supranationals, AA-/Aa3; and US Treasury and Agency securities, AA+/Aaa.

WWU manages its exposure to fair value losses in the internal investment pool by targeting the portfolio duration to 2.25 years and limiting the weighted average maturity to a maximum of three years. WWU generally does not invest operating funds in securities maturing more than five years from the date of purchase.

Fair Value Measurement and Application

Fair Value Measurement and Application establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities

(Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 - Unadjusted quoted prices available in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities;

Level 3 - Unobservable inputs that are significant to the fair value measurement.

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

	Fair Value Measurements as of June 30, 2022 using:				Weighted Average Maturity (in years)
	Quoted Prices in	Significant Other Observable Inputs	Significant Unobservable Inputs Level 3	Total	
	Active Markets for Identical Assets				
	Level 1	Level 2	Level 3	Total	
Cash and Cash Equivalents					
Unrestricted	5,142,803			\$5,142,803	0.003
Restricted	666,274			666,274	0.003
Restricted - Bonds	4,330,150			4,330,150	0.003
Investments					
<i>Unrestricted</i>					
Certificates of deposit	994,021			994,021	1.247
Corporate	1,805,864			1,805,864	0.787
Municipals		602,052		602,052	2.749
Supranationals		363,255		363,255	1.646
U.S. Agencies		2,095,704		2,095,704	0.978
U.S. Treasuries		16,464,818		16,464,818	1.471
<i>Restricted</i>					
Certificates of deposit	1,875,120	-	-	1,875,120	1.171
Corporate	233,958	-	-	233,958	0.414
Municipals	-	528,432	-	528,432	2.909
Supranationals		47,061		47,061	0.865
U.S. Agencies		1,286,246		1,286,246	1.577
U.S. Treasuries		2,133,092		2,133,092	0.773
Bond Certificates of deposit	66,148	-	-	66,148	0.392
Bond Corporate	120,172	-	-	120,172	0.418
Bond Municipals		40,064		40,064	0.761
Bond Supranationals		24,173		24,173	0.832
Bond U.S. Agencies		139,459		139,459	0.310
Bond U.S. Treasuries		1,095,658		1,095,658	0.942
	<u>\$15,234,508</u>	<u>\$24,820,016</u>	<u>\$ -</u>	<u>\$40,054,524</u>	

	Fair Value Measurements as of June 30, 2021 using:				Weighted Average Maturity (in years)
	Quoted Prices in	Significant Other Observable Inputs	Significant Unobservable Inputs Level 3	Total	
	Active Markets for Identical Assets				
	Level 1	Level 2	Level 3	Total	
Cash and Cash Equivalents					
Unrestricted	\$4,873,698			\$4,873,698	0.003
Restricted	1,322,769			1,322,769	0.003
Restricted - Bonds	6,085,336			6,085,336	0.003
Investments					
<i>Unrestricted</i>					
Certificates of deposit	730,361			730,361	1.247
Corporate	1,578,234			1,578,234	1.328
Municipals		94,832		94,832	2.422
Supranationals		288,525		288,525	2.646
U.S. Agencies		5,447,317		5,447,317	0.986
U.S. Treasuries		1,436,078		1,436,078	2.711
<i>Restricted</i>					
Certificates of deposit	1,944,567		-	1,944,567	1.600
Corporate	428,348			428,348	0.770
Municipals		504,477		504,477	2.700
Supranationals		78,308		78,308	1.530
U.S. Agencies		2,125,583		2,125,583	1.940
U.S. Treasuries		389,766		389,766	1.560
Bond Certificates of deposit	76,274			76,274	0.136
Bond Corporate	164,820			164,820	0.145
Bond Municipals		9,904		9,904	0.264
Bond Supranationals		30,132		30,132	0.289
Bond U.S. Agencies		568,882		568,882	0.108
Bond U.S. Treasuries		6,898,383		6,898,383	0.412
	<u>\$17,204,407</u>	<u>\$17,872,187</u>	<u>\$ -</u>	<u>\$35,076,594</u>	

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 3. CAPITAL ASSETS, NET

The depreciation expense for the years ended June 30, 2022 and 2021 was \$7,793,679 and \$6,799,398, respectively.

Following are the changes in capital assets for the year ended June 30, 2022:

Description	June 30, 2021	Additions	Reductions	June 30, 2022
Non-depreciable capital assets				
Construction in progress	\$56,157,370	\$332,298	(55,904,715)	\$584,953
Total non-depreciable capital assets	56,157,370	332,298	(55,904,715)	584,953
Depreciable capital assets				
Buildings	179,651,846	62,109,993		241,761,839
Buildings improvements	34,405,455			34,405,455
Furniture, fixtures, and equipment	8,958,894	1,494,619	(187,056)	10,266,458
Infrastructure	4,492,564			4,492,564
Total depreciable capital assets	227,508,760	63,604,612	(187,056)	290,926,316
Less Accumulated Depreciation				
Buildings	74,646,422	6,004,427		80,650,849
Buildings improvements	20,414,992	1,239,695		21,654,686
Furniture, fixtures, and equipment	7,762,848	470,675	(187,056)	8,046,467
Infrastructure	2,513,351	78,882		2,592,233
Total accumulated depreciation	105,337,612	7,793,679	(187,056)	112,944,235
Capital assets, net	178,328,517	\$56,143,233	-	\$178,567,034

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Following are the changes in capital assets for the year ended June 30, 2021:

Description	June 30, 2020	Additions	Reductions	June 30, 2021
Non-depreciable capital assets				
Construction in progress	\$17,428,136	\$38,729,234	-	\$56,157,370
Total non-depreciable capital assets	17,428,136	38,729,234	-	56,157,370
Depreciable capital assets				
Buildings	179,651,846	-	-	179,651,846
Buildings improvements	34,405,455	-	-	34,405,455
Furniture, fixtures, and equipment	8,953,503	5,391	-	8,958,894
Infrastructure	4,492,564	-	-	4,492,564
Total depreciable capital assets	227,503,368	5,391	-	227,508,760
Less Accumulated Depreciation				
Buildings	69,828,525	4,817,897	-	74,646,422
Buildings improvements	19,026,822	1,388,170	-	20,414,992
Furniture, fixtures, and equipment	7,248,399	514,449	-	7,762,848
Infrastructure	2,434,469	78,882	-	2,513,351
Total accumulated depreciation	98,538,214	6,799,398	-	105,337,612
Capital assets, net	146,393,290	\$31,935,228	-	\$178,328,517

NOTE 4. NON-CURRENT LIABILITIES

BONDS:

In accordance with bond covenants, a Renewal and Replacement (R&R) Fund has been established to pay extraordinary operating and maintenance expenses; to make capital replacements, expansions, additions, repairs and renewals of the System; and to pay bond principal and interest to the extent other funds are not legally available. The balance of the R&R Fund must equal at least 5% of the principal balance of outstanding bonds.

Bond covenants also require that the System pledge net revenue (as defined) in each fiscal year at least equal to the greater of (i) 125% of the amounts required in such fiscal year to be paid as scheduled debt service (principal and interest) on outstanding bonds, or (ii) amounts required to be deposited during such fiscal year from net revenues into debt service and reserve funds established for outstanding bonds and into the R&R Fund, but excluding from each of the foregoing, payments made from refunding debt and capitalized debt service.

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Series 2020 Housing and Dining Revenue Bonds (original issue price of \$21,760,000) with interest rates ranging from 1.5% to 2.5% and principal payments due in annual amounts ranging from \$735,000 to \$2,735,000 through April 1, 2034. The Series 2020 bonds have an aggregate face value of \$21,760,000 at June 30, 2022.	\$21,760,000	\$21,760,000
Series 2019 Housing and Dining Revenue Bonds (original issue price of \$68,575,000) with interest rates ranging from 3.0% to 5.0% and principal payments due in annual amounts ranging from \$1,465,000 to \$3,295,000 through April 1, 2049. The Series 2019 bonds have an aggregate face value of \$67,180,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$3,014,953	70,194,953	70,230,678
Series 2018B Housing and Dining Revenue Bonds (original issue price of \$33,680,000) with interest rates ranging from 3.0% to 4.0% and principal payments due in annual amounts ranging from \$985,000 to \$2,050,000 through April 1, 2043. The Series 2018B bonds have an aggregate face value of \$30,510,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$790,045.	31,300,045	31,310,875
Series 2018A Housing and Dining Revenue and Refunding Bonds (original issue price of \$10,695,000) with interest rates ranging from 3.0% to 5.0% and principal payments due in annual amounts ranging from \$570,000 to \$985,000 through April 1, 2034. The Series 2018A bonds have an aggregate face value of \$9,600,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$675,780.	10,275,780	10,294,167
Series 2015 Housing and Dining Refunding Bonds (original issue price of \$13,435,000) with an interest rate of 5.0% and principal payments due in annual amounts ranging from \$1,315,000 to \$1,530,000 through October 31, 2026. The Series 2015 bonds have an aggregate face value of \$5,675,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$310,376	5,985,376	6,007,740
Series 2012 Revenue and Refunding Bonds (original issue price of \$9,205,000) with interest rates ranging from 3.0% to 5.0% and principal payments due in annual amounts ranging from \$790,000 to \$825,000 through October 31, 2023. The Series 2012 bonds have an aggregate face value of \$1,615,000 at June 30, 2022 which is reported net of the unamortized original issues premium of \$13,671	1,628,671	1,631,482
	<u>141,144,825</u>	<u>141,234,942</u>
Less current portion	<u>(5,160,000)</u>	<u>-</u>
	<u>\$ 135,984,825</u>	<u>\$ 141,234,942</u>

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Following are the changes in non-current liabilities for the year ended June 30, 2022:

Non-current Liabilities	June 30, 2021	Additions	Reductions	June 30, 2022	Current Portion
BONDS PAYABLE					
Series 2020 Revenue Bonds	21,760,000	-	-	\$21,760,000	-
Series 2019 Revenue Bonds	67,180,000	-	-	67,180,000	1,465,000
Series 2018B Revenue Bonds	30,510,000	-	-	30,510,000	985,000
Series 2018A Refunding Bonds	9,600,000	-	-	9,600,000	570,000
Series 2015 Refunding Bonds	5,675,000	-	-	5,675,000	1,315,000
Series 2012 Refunding Bonds	1,615,000	-	-	1,615,000	825,000
	136,340,000	-	-	136,340,000	5,160,000
Plus unamortized premium	4,894,942	-	(90,117)	4,804,825	-
Less unamortized discount	-	-	-	-	-
Total Bonds Payable	141,234,942	-	(90,117)	141,144,825	5,160,000
Compensated Absences	396,859	18,381	-	415,240	-
Pension Liabilities	856,891	-	(554,906)	301,985	-
OPEB Liability	3,668,117	-	(1,411,891)	2,256,226	37,753
Total Non-current liabilities	\$146,156,809	\$18,381	(\$2,056,914)	\$144,118,276	\$5,197,753

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Following are the changes in non-current liabilities for the year ended June 30, 2021:

Non-current Liabilities	June 30, 2020	Additions	Reductions	June 30, 2021	Current Portion
BONDS PAYABLE					
Series 2020 Revenue Bonds		21,760,000		21,760,000	-
Series 2019 Revenue Bonds	\$68,575,000	-	(1,395,000)	67,180,000	-
Series 2018B Revenue Bonds	32,370,000	-	(1,860,000)	30,510,000	-
Series 2018A Refunding Bonds	10,345,000	-	(745,000)	9,600,000	-
Series 2015 Refunding Bonds	8,110,000	-	(2,435,000)	5,675,000	-
Series 2012 Refunding Bonds	3,520,000	-	(1,905,000)	1,615,000	-
Series 1998 Junior Lien Revenue Refunding	3,200,000	-	(3,200,000)	-	-
	126,120,000	21,760,000	(11,540,000)	136,340,000	-
Plus unamortized premium	6,015,089	-	(1,120,147)	4,894,942	-
Less unamortized discount	-	-	-	-	-
Total Bonds Payable	132,135,089	21,760,000	(12,660,147)	141,234,942	-
Compensated Absences	450,250	-	(53,391)	396,859	-
Pension Liabilities	1,206,466	-	(349,575)	856,891	-
OPEB Liability	3,442,549	229,533		3,668,117	65,675
Total Non-current liabilities	\$137,234,354	\$21,989,533	(\$13,063,113)	\$146,156,809	\$65,675

Total interest incurred on bonds payable for the years ended June 30, 2022, and June 30, 2021 was \$1,079,708 and \$0, respectively.

The principal and interest maturities of bonds payable for years ending June 30 are as follows:

	Principal	Interest	Total
2023	5,160,000	4,666,158	9,826,158
2024	5,310,000	4,431,083	9,741,083
2025	5,560,000	4,199,483	9,759,483
2026	5,800,000	3,958,101	9,758,101
2027	6,055,000	3,704,414	9,759,414
2028-2032	33,595,000	15,191,651	48,786,651
2033-2037	27,345,000	9,963,136	37,308,136
2038-2042	23,535,000	6,145,300	29,680,300
2043-2047	17,485,000	2,435,950	19,920,950
2048-2052	6,495,000	293,700	6,788,700
	136,340,000	54,988,976	\$191,328,976
Plus unamortized premiums	4,804,825		
	\$141,144,825		

NOTE 5. COMMITMENTS

The System regularly enters into contracts and purchase orders that commit fund balances for future purchases of goods and services. As of June 30, 2022 and 2021, these commitments totaled \$4,824,609 and \$8,944,101 respectively, for all funds.

NOTE 6. PENSION PLANS

WWU offers four contributory pension plans: 1) the Washington State Public Employees' Retirement System (PERS) plans, 2) the Washington State Teachers Retirement System (TRS) plans, 3) the Law Enforcement Officers' and Firefighters' Retirement System (LEOFF) plan and 4) the Western Washington University Retirement plan (WWURP).

Housing and Dining employees in eligible positions are participants in the PERS and WWURP plans. PERS is a cost sharing multiple employer defined benefit pension plan administered by the State of Washington Department of Retirement Systems (DRS). WWURP is a single employer defined contribution plan with a supplemental defined benefit plan component currently administered by WWU.

Legislation signed into law on July 1, 2020, amended the RCW applicable to the WWUSRP to define plan provisions including limits on member eligibility, benefit payments, vesting terms and contribution rates. As a result of these amendments, WWU is unable to modify the terms of the plan. Administration of the benefit calculations and payments remain the responsibility of WWU until the state's Pension Funding Council determines the trust has sufficient assets, at which time the DRS will assume those duties in accordance with RCW 41.50.280. WWU does not perform the duties of a board or hold any of the substantive powers that would make the plan a fiduciary component of WWU. Other agencies of the state of Washington perform the duties of a board and hold the substantive powers in relation to the WWUSRP.

Housing and Dining's proportionate share of WWU's share of the total net unfunded liabilities associated with the defined-benefit pension plans administered by the DRS was \$91,963 as of June 30, 2022, and \$741,046 as of June 30, 2021. The liability associated with the defined-benefit pension plan administered by WWU was \$210,020 as of June 30, 2022 and \$115,845 as of June 30, 2021. The total pension expense recorded by the System related to both the DRS and University plans was \$(656,633) and \$(26,936) for the years ended June 30, 2022, and 2021, respectively.

PLANS ADMINISTERED BY DRS

PLAN DESCRIPTION:

Public Employees' Retirement System

PERS retirement benefit provisions are contained in chapters 41.34 and 41.40 of the Revised Code of Washington (RCW). PERS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3

members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered a single defined benefit plan for reporting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. PERS members include higher education employees not participating in other higher education retirement programs.

VESTING AND BENEFITS PROVIDED:

PERS Plan 1

PERS Plan 1 provides retirement, disability, and death benefits to eligible members. This plan is closed to new entrants. All members are vested after the completion of five years of eligible service. The monthly benefit is 2.0% of the average final compensation (AFC) for each year of service credit, up to a maximum of 60.0%. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two.

Members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. Members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3% annually. To offset the cost of this annual adjustment, the benefit is reduced. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

PERS Plan 2/3

PERS 2/3 provides retirement, disability and death benefits. PERS Plan 2 members are vested after completing five years of eligible service. PERS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Defined Retirement benefits are determined as 2.0% of the member's AFC times the member's years of service for Plan 2 and 1.0% of the AFC times the member's years of service for Plan 3. The AFC is the average of the member's 60 highest paid consecutive months. There is no cap on years of service credit.

Members are eligible for normal retirement at the age of 65 with five years of service. Members have the option to retire early with reduced benefits. Members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3% annually. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

FIDUCIARY NET POSITION:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all plans and additions to/deductions from all plans fiduciary net position have been determined in all material respects on the same basis as they are reported by the plans. These pension plans administered by the state are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, employee and employer

contributions are recognized in the period in which employee services are performed; investment gains and losses are recognized as incurred; and benefits and refunds are recognized when due and payable in accordance with the terms of the applicable plan.

The Washington State Investment Board (WSIB) has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB- adopted investment policies for the various asset classes in which the WSIB invests. Although some assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

Administration of the PERS system and plan was funded by an employer rate of 0.18% of employee salaries.

The DRS prepares a stand-alone financial report that is compliant with the requirements of Statement 67 of the Governmental Accounting Standards Board. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380 or online at <https://www.drs.wa.gov/2021-annual-report-newsfeed/>.

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on University's auxiliary units. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on Housing & Dining's financial statements.

The total pension liability for each of the plans was determined using the most recent actuarial valuation completed by the Washington State Office of the State Actuary (OSA). WWU's 2022 pension liability is based on the OSA valuation performed as of June 30, 2021, with a valuation date of June 30, 2020. Besides the discount rate, the actuarial assumptions used in the valuation are summarized in the Actuarial Section of DRS' Annual Comprehensive Financial Report located on the DRS employer-resource GASB webpage. These assumptions reflect the results of OSA's 2013-2018 Demographic Experience Study Report and the 2019 Economic Experience Study. The following actuarial assumptions have been applied to all prior periods included in the measurement:

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary Increases:** salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.40%

Mortality rates were developed using the Society of Actuaries' Pub.H-20210 mortality rates as the base table. OSA applied age offsets, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational

basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout the member's lifetime.

OSA selected a 7.40% long-term expected rate of return on pension plan investments using a building block method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns the WSIB provided.

The CMAs contain three pieces of information for each class of assets WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns at various future times.

The best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

The inflation component used to create the table is 2.20% and represents the WSIB's most recent long-term estimate of broad economic inflation.

DISCOUNT RATE:

The discount rate used to measure the total pension liabilities was 7.40%, the same as the prior measurement date. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.40% long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.40% future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue to be made at contractually required rates (including PERS Plan 2/3 and TRS 2/3 employers whose rates include a component for the PERS Plan 1 and TRS Plan 1 unfunded actuarial accrued liabilities). Based on those assumptions, the various pension plan's fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40% on pension plan investments was applied to determine the total pension liability for each plan.

SENSITIVITY OF THE NET PENSION LIABILITY TO CHANGES IN THE DISCOUNT RATE:

The following table presents Housing & Dining's net pension liability position by plan calculated using the discount rate of 7.40%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1.0% point lower (6.40%) or 1.0% point higher (8.40%) than the current rate.

EMPLOYER CONTRIBUTION RATES:

Employer contribution rates are developed in accordance with Chapter 41.45 of the RCW by the OSA. The statute provides authority to the Pension Funding Council to adopt changes to economic assumptions and contribution rates.

HOUSING & DINING PROPORTIONATE SHARE AND AGGREGATED BALANCES:

Collective pension amounts are determined as of a measurement date, which can be no earlier than an employer's prior fiscal year. The measurement date for the net pension liabilities recorded by the System as of June 30, 2022, and 2021 was June 30, 2021, and 2020 (one year in arrears.) Employer contributions received and processed by the DRS during the measurement date fiscal year have been used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in their fiscal year ended June 30 Schedules of Employer and Non-employer Allocations. Housing & Dining's proportional share of WWU's share from DRS of the aggregated balance of net pension liabilities as of June 30, 2022 and June 30, 2021 is presented in the table below.

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES:

The tables below summarize Housing & Dining's expense, deferred outflows of resources and deferred inflows of resources related to the DRS pension plans, together with the related future year impacts to pension expense from amortization of those deferred amounts. Note that deferred outflows of resources related to the Housing & Dining's contributions subsequent to the measurement date are recognized as a reduction of the net pension liability in the following year and are not amortized to pension expense.

Amounts reported as deferred outflows of resources, exclusive of contributions subsequent to the measurement date, and deferred inflows of resources will be recognized in pension expense in future periods as follows:

PLANS ADMINISTERED BY WESTERN WASHINGTON UNIVERSITY

Western Washington University Retirement Plan (WWURP)

PLAN DESCRIPTION:

The WWURP is a defined contribution single employer pension plan with a supplemental payment when required. The plan covers faculty, professional staff, and certain other employees. It is administered by WWU. WWU's Board of Trustees is authorized to establish and amend benefit provisions.

Contributions to the plan are invested in annuity contracts or mutual fund accounts offered by one or more fund sponsors. Benefits from fund sponsors are available upon separation or retirement at the member's option. Employees, at all times, have a 100% vested interest in their accumulations. Because the Higher Ed SRP Valuation report is only prepared every other year the number of participants in the WWURP as of June 30, 2022, and 2021 remained the same for reporting purposes at 1,154.

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

FUNDING POLICY:

Employee contribution rates, which are based on age, range from 5% to 10% of salary. WWU matches 100% of the employee contributions. All required employer and employee contributions have been made and the breakdown of the Housing & Dining’s proportional share of the WWURP contributions are included in the table below for the years ended June 30.

Western Washington University Supplemental Retirement Plan (WWUSR)

PLAN DESCRIPTION:

WWUSR, the supplemental component of the WWURP plan, is a defined benefit plan currently administered by WWU and operates in tandem with the WWURP defined contribution pension plan to supplement the expected defined-contribution retirement savings accumulated under the WWURP. The plan covers faculty and certain other positions. The WWUSR, the supplemental component of the WWURP, was closed to new entrants as of July 1, 2011. For purposes of measuring the June 30, 2021 net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the WWUSR and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported in the state of Washington’s Annual Comprehensive Financial Report, which is available at <https://ofm.wa.gov/accounting/financial-audit-reports/annual-comprehensive-financial-report>. The Office of the State Actuary prepared internal SRP GASB67/68 values by entity and delivered these values to each entity for reporting the June 30, 2022 balances as no external annual comprehensive report was issued this year.

PLAN MEMBERSHIP:

Membership of the Western Washington University Supplemental Retirement Plan consisted of the following at June 30, 2020, and June 30, 2022, the date of the latest actuarial valuation for the plan:

WWUSR	Number of Participating Members			
	Inactive Members (Or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled To But Not Yet Receiving Benefits	Active Members	Total Members
2022*	79	3	483	565
2020	79	3	483	565

* same as prior year utilizing the 2021 SRP Actuarial Valuation Report

The 2020 census data were used for actuarial valuations that were used to project the Total Pension Liability to the measurement date of June 30, 2022, and 2021, respectively.

VESTING AND BENEFITS PROVIDED:

This supplemental component payment plan determines a minimum retirement benefit goal based upon a one-time calculation at each employee's retirement date. This supplemental component is financed on a pay-as-you-go basis. WWU makes direct payments to qualified retirees when the retirement benefit provided by the fund

sponsor does not meet the benefit goal.

WWSRP retirement benefits provisions are contained in RCW 28B.10.400, et. seq. which assigns the authority to establish and amend benefit provisions to the Western Washington University Board of Regents. Members are eligible to receive benefits under this plan at age 62 with 10 years of credited service. The monthly amount of benefits payable at the time of retirement is the excess of one-twelfth of 2.0% of the member's average annual salary multiplied by the number of years of service (such product not to exceed one-twelfth of 50.0% of the member's average annual salary) over an assumed annuity benefit.

Assumed income must be calculated by an independent actuary and represents a theoretical amount of monthly income that would have been generated if actual employee and WWU contributions to the WWURP had been allocated equally between fixed and variable dollar annuities. When the goal income exceeds the assumed income, the participant is entitled to benefits under this plan. The System's proportional share of the total University benefit payments made during the fiscal years ended June 30, 2022, and 2021 were \$7,690 and \$6,990, respectively.

FIDUCIARY NET POSITION:

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in FY 2021.

The plan Fiduciary Net Position is the fair value of plan assets held in a trust as defined by GASB. The Net Pension Liability is the difference between the Total Pension Liability and the plan Fiduciary Net Position. The plan Fiduciary Net Position represents the amount of assets collected as of the measurement date to pay for SRP benefits, per RCW 41.50.280. Plan assets and investments are measured at their fair value.

The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

WWUSRP plan assets are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB-adopted investment policies for the various asset classes in which WSIB invests.

Information about the investment of pension funds by the WSIB, their valuation, classifications, concentrations, and maturities can be found in footnote 3.B of the state of Washington's Annual Comprehensive Financial Report.

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on the University's auxiliary units. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on Housing & Dining's financial statements.

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in FY 2021.

The total pension liability was determined by an actuarial valuation as of June 30, 2020, with the results projected forward to the June 30, 2022, measurement date using the following actuarial assumptions:

- Discount Rate: 7.00%
- TIAA Return Rate: 3.98%
- CREF Return Rate: (16.99)%
- Salary Growth: 3.75%

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates as the base table. OSA applied age offsets, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout the member's lifetime.

The total salary growth assumption is based on the August 2021 Higher Education SRP Experience study. The TIAA and CREF increase rates represent the assumed investment return on primary investments that play a key role in the SRP benefit calculation.

OSA updated assumptions consistent with the 2021 Demographic Experience Study and modified the TIAA CREF investment assumptions based on TIAA input and OSA's expectation for the future. This includes future growth in the investment's and how the projected account balances are converted to annuities.

The discount rate can be thought of as an assumed return on assets, with a lower discount rate leading to a higher total pension liability (TPL). The discount rate reflects our office's long-term rate of return assumption for assets invested in the Commingled Trust Fund, which decreased from 7.40% to 7.00%. The impact of this change is captured as part of the "Changes in assumptions" line of the TPL table. TIAA and CREF are investments used in the assumed income calculation. The big takeaway here is the FY 2022 CREF stock account return of (16.99%) was significantly lower than our assumption of 6.25%. CREF investment returns that are lower than expected lead to lower assumed income, which means more expected supplemental plan benefits for current actives and an increase in the TPL. The impact of this change is captured in the "Differences between expected and actual experience" line of the TPL table.

SENSITIVITY OF THE NET PENSION LIABILITY/(ASSET) TO CHANGES IN THE DISCOUNT RATE:

The following presents Housing & Dining's proportional share of the pension liability for the WWUSRP for WWU as an employer, calculated using the discount rate of 7.0%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1.0% point lower (6.0%) or 1.0% point higher (8.0%) than the current rate.

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Housing & Dining WWUSRP
Discount Rate Sensitivity - Net Pension Liability/(Asset)
 \$ in thousands

Plan	2022		
	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
WWUSRP	\$ 241	\$ 210	\$ 183

EMPLOYER CONTRIBUTION RATES:

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in FY 2021. 2SHB 1661 outlines a funding policy for the SRP. Beginning July 1, 2020, the 0.5% required employer contribution rate was replaced with institution-specific contribution rates. These rates are developed by the OSA in accordance with RCW 41.45, which provides authority to the Pension Funding Council to adopt changes to economic assumptions and contribution rates. Money in the trust must be accounted for separately and attributed to each paying institution and may only be used to make benefit payments to the paying institution’s plan beneficiaries. Beginning July 31, 2020, the Pension Funding Council may review and revise the institution-specific contribution rates. Rates must be designed to keep the total cost at a more level percentage than a pay-as-you-go method. Accumulated funds will allow a portion of the cost of SRP benefits to be paid from those funds beginning in approximately 2035. When the trust has collected sufficient assets to begin making SRP benefit payments, administration of the SRP will transfer to the Department of Retirement Systems (DRS).

WWUSRP	2022	2021
Employer required contribution rate	0.21%	0.21%

The SRP benefit funds are currently restricted from paying SRP benefits and are not expected to pay benefits until 2035. Until this time, SRP benefits are paid out of the operating budget on a pay-as-you-go basis.

NET PENSION LIABILITY (NPL):

Consistent with GASB No. 67/68, plan assets are included in financial reporting. The June 30, 2021, asset amount offsets the total pension liability to yield the plan’s net pension liability.

Effective July 1, 2020, legislation signed into law created a trust arrangement for assets dedicated to paying WWUSRP benefits to plan members. Contributions previously paid to and accumulated by DRS beginning January 1, 2012, were transferred into the trust when this legislation became effective. As a result, WWU applied accounting guidance for single employer plans that have trusted assets and reports the pension liability net of plan assets beginning fiscal year ended June 30, 2021.

The components of the WWUSRP liability were as follows:

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Housing & Dining Proportional Share
Schedule of Changes in Net Pension Liability (NPL)

	TPL (a)	Plan Fiduciary	
		Net Position (b)	NPL (a) minus (b)
Balance as of July 1, 2020	\$ 480,672	\$ 49,759	\$ 430,913
Service Cost	12,290	-	12,290
Interest on TPL	10,637	-	10,637
Differences Between Expected and Actual Experience	(200,609)	-	(200,609)
Change in Assumptions	(110,101)	-	(110,101)
Employer Contributions	-	2,613	(2,613)
Investment Income	-	17,675	(17,675)
Benefit Payments	(6,997)	-	(6,997)
Net Changes	(294,781)	20,288	(315,068)
Balance as of June 30, 2021	\$ 185,892	\$ 70,047	\$ 115,845
Service Cost	3,055	-	3,055
Interest on TPL	12,875	-	12,875
Differences Between Expected and Actual Experience	69,003	-	69,003
Change in Assumptions	19,981	-	19,981
Employer Contributions	-	2,963	(2,963)
Investment Income	-	79	(79)
Benefit Payments	(7,696)	-	(7,696)
Net Changes	97,217	3,042	94,175
Balance as of June 30, 2022	\$ 283,109	\$ 73,089	\$ 210,020

The June 30, 2022, and 2021 TPL is based on an actuarial valuation performed as of June 30, 2020, with update procedures performed by the OSA to roll forward the TPL to the measurement date. The June 30, 2020, TPL is based on an actuarial valuation performed as of June 30, 2018, with update procedures performed to roll forward the TPL to the measurement date of June 30, 2020. All valuations were prepared using the entry age actuarial cost method.

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES:

The tables below summarize Housing & Dining's proportionate share of the WWUSRP pension expense, deferred outflows of resources and deferred inflows, together with the related future year impacts to pension expense from amortization of those deferred amounts:

Housing & Dining Proportional Share WWUSRP
Pension Expense (PE)

	2022	2021
Service Cost	\$ 2,886	\$ 38,863
Interest Cost	12,164	33,636
Amortization of Differences between Expected and Actual Experience	(22,929)	(112,711)
Amortization of Changes of Assumptions	(1,920)	(16,565)
Expected Earnings on Plan Investments	(4,918)	(11,929)
Amortization of Differences between Projected and Actual Earnings on Plan Investments	(1,623)	(8,810)
Administrative Expenses	-	-
Other Changes in Fiduciary Net Position	-	-
Pension Expense - Current Year	\$ (16,339)	\$ (77,515)
GASB 68 from GASB 73 reporting change effect	-	(165,610)
Net Pension Expense	\$ (16,339)	\$ (243,125)

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

The tables below summarize Housing & Dining’s deferred outflows and inflows of resources related to the WWUSRP, together with the related future year impacts to pension expense from amortization of those deferred amounts:

Housing & Dining Proportional Share
Deferred Outflows of Resources

	2022		2021
Difference between expected and actual experience	\$ 87,482	\$	34,847
Changes of assumptions	\$ 70,639	\$	68,654
Differences between Projected and Actual Earnings on Plan Investments	4,070		-
TOTAL	\$ 158,121	\$	103,501

Deferred Inflows of Resources

	2022		2021
Difference between expected and actual experience	\$ 164,380	\$	201,520
Changes of assumptions	87,181		105,459
Differences between Projected and Actual Earnings on Plan Investments	8,341		11,122
TOTAL	\$ 251,560	\$	318,101

Amortization of Deferred Outflows and Deferred Inflows of Resources

Year	
2023	\$ (25,314)
2024	\$ (13,449)
2025	\$ (13,410)
2026	\$ (28,281)
2027	\$ (18,550)
Thereafter	\$ 5,564
TOTAL	\$ (93,439)

NOTE 7. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

PLAN DESCRIPTION:

Health care and life insurance programs for employees of the State of Washington are administered by the Washington State Health Care Authority (HCA). The HCA calculates the premium amounts each year that are sufficient to fund the State-wide health and life insurance programs on a pay-as-you-go basis. These costs are passed through to individual state agencies based upon active employee headcount; the agencies pay the premiums for active employees to the HCA. The agencies may also charge employees for certain higher cost options elected by the employees.

State of Washington retirees may elect coverage through state health and life insurance plans, for which they pay less than the full cost of the benefits, based on their age and other demographic factors.

The health care premiums for active employees, which are paid by the agency during employees’ working careers, subsidize the “underpayments” of the retirees. An additional factor in the OPEB obligation is a payment that is required by the State Legislature to reduce the premiums for retirees covered by Medicare (an “explicit subsidy”).

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

For FY 2022, this amount was \$183 per member to cover retirees eligible for parts A and B of Medicare, per month. This rate will remain the same for calendar year 2023. This is also passed through to State agencies via active employee’s rates charged to the agency.

OPEB implicit and explicit subsidies as well as administrative costs are funded by required contributions made by participating employers. State agency contributions are made on behalf of all active, health care eligible employees, regardless of enrollment status. Based on the funding practice, the allocation method used to determine proportionate share is each agency’s percentage of the state’s total active, health care eligible employee headcount. As of June 30, 2021, and 2020, the total University’s headcount percentage membership in the PEBB plan consisted of the following:

OPEB Plan Participants				
FYE	Active Employees	Retirees Receiving Benefits	Retirees Not Receiving Benefits	Total Participants
2020	2066	797	95	2958
2021	2015	778	93	2886

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on the University’s auxiliary units. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on Housing & Dining’s financial statements.

The total OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement period:

- **Inflation:** 2.75%
- **Salary Increases:** 3.50% including service-based salary increases
- **Health Care Trend Rates:*** Initial rate ranges from 2-11% adjusting to 4.3% in 2075
- **Post-retirement Participation:** 65.00%
- **Spouse Coverage:** 45.00%

Mortality rates were developed using the Society of Actuaries’ Pub.H-2010 mortality rates, which vary by member status. The Office of the State Actuary (OSA) applied age offsets as appropriate to better tailor the mortality rates to the demographics of the plan. OSA applied the long-term MP-2017 generational improvement scale to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year, throughout their lifetime.

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

The discount rate used to measure the total pension liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index. A discount rate of 2.21% was used for the June 30, 2020, measurement date and 2.16% for the June 30, 2021, measurement date.

The following presents Housing & Dining’s proportional share of the total University OPEB liability, calculated using the discount rate of 2.16%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current rate.

Total OPEB Liability Discount Rate Sensitivity	
1% Decrease	\$2,779,319
Current Discount Rate - 2.16%	\$2,293,979
1% Increase	\$1,916,631

The following represents the total OPEB liability of Housing & Dining, calculated using the health care trend rates of 2-11% reaching an ultimate range 4.3%, as well as what the total OPEB liability would be if it were calculated using health care trend rates that are 1 percentage point lower or 1 percentage point higher than the current rate:

Total OPEB Liability Health Care Cost Trend Rate Sensitivity	
1% Decrease	\$1,850,728
Current Discount Rate - 2-11%	\$2,293,979
1% Increase	\$2,892,962

*For additional detail on the health care trend rates, OPEB plan information and actuarial computations please reference the Washington State Annual Comprehensive Financial Report on OFM’s website:
<https://leg.wa.gov/osa/accounting/financial-audit-report/annual-comprehensive-financial-report>
 and the Office of the State Actuary’s website:
<https://leg.wa.gov/osa/additionalservices/Pages/OPEB.aspx>

HOUSING AND DINING SYSTEM
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

TOTAL OPEB LIABILITY:

As of June 30, 2022, and 2021, components of the proportionate share calculation of total OPEB liability determined in accordance with GASB Statement No. 75 for Housing & Dining are represented in the following table:

FY22 Proportionate Share of WWU's share		2.288856%
FY21 Proportionate Share of WWU's share		3.888417%
Schedule of Changes in Total OPEB Liability		
Total OPEB Liability	2022	2021
Service cost	\$114,655	\$154,941
Interest	49,553	129,611
Changes of benefit terms	-	-
Differences between expected & actual experience	-	(19,862)
Changes in assumptions	21,172	84,017
Benefit payments	(37,753)	(61,710)
Change in Proportionate share	(51,487)	(80,358)
Other	-	(132,018)
Net Change in Total OPEB Liability	\$96,141	\$74,621
Total OPEB Liability - Beginning	\$3,733,792	\$3,442,549
Change in proportionate share	(\$1,535,954)	\$216,621
Total OPEB Liability - Ending	\$ 2,293,979	\$3,733,792

Housing & Dining's proportionate share of OPEB expense for the fiscal years ended June 30, 2022, and 2021 was (\$1,648,556) and \$293,381, respectively.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES:

The tables below summarize Housing & Dining's deferred outflows and inflows of resources related to OPEB, together with the related future year impacts to expense from amortization of those deferred amounts:

Deferred Outflows of Resources

	2022		2021
Change in proportion	25,585	\$	31,190
Difference between expected and actual experience	39,240		81,913
Changes of assumptions	146,092		256,748
Transactions subsequent to the measurement date	37,944		65,675
TOTAL	\$ 248,860	\$	435,527

Deferred Inflows of Resources

	2022		2021
Change in proportion	\$ 132,707	\$	92,611
Difference between expected and actual experience	8,880		17,655
Changes of assumptions	415,909		880,583
TOTAL	\$ 557,496	\$	990,849

Amortization of Deferred Outflows and Deferred Inflows of Resources

Year		
2023	\$	(73,638)
2024	\$	(73,638)
2025	\$	(73,637)
2026	\$	(73,637)
2027	\$	(40,540)
Thereafter	\$	(11,490)
TOTAL	\$	(346,580)

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REQUIRED SUPPLEMENTARY INFORMATION

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedule of Housing and Dining System’s Proportionate Share of the Net Pension Liability

Schedule of Housing and Dining System Proportionate Share of the Net Pension Liability Public Employees' Retirement System (PERS) Plan 1 Measurement Date ended June 30 *								
	2014	2015	2016	2017	2018	2019	2020	2021
Housing & Dining System PERS 1 employers' proportion of the net pension liability	0.016016%	0.014712%	0.014101%	0.013209%	0.013928%	0.014527%	0.014320%	0.007705%
Housing & Dining System PERS 1 employers' proportionate share of the net pension liability	\$1,157,409	\$769,578	\$757,281	\$626,778	\$622,041	\$547,248	\$504,120	\$91,963
Housing & Dining System PERS 1 employers' covered-employee payroll	\$1,668,417	\$1,607,762	\$1,657,525	\$1,608,185	\$1,826,650	\$1,335,428	\$2,155,194	\$1,163,385
employers' proportionate share of the net pension liability as a percentage of its covered-employee payroll	69.37%	56.37%	43.13%	38.97%	34.05%	40.98%	23.39%	7.90%
Plan fiduciary net position as a percentage of the total pension liability	61.19%	59.10%	57.03%	61.24%	63.22%	67.12%	68.64%	88.74%
* This schedule is to be built prospectively until it contains ten years of data.								

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedule of Housing and Dining System's Proportionate Share of the Net Pension Liability/(Asset)

Schedule of Housing and Dining System Proportionate Share of the Net Pension Liability (Asset) Public Employees' Retirement System (PERS) Plan 2/3 Measurement Date ended June 30 *								
	2014	2015	2016	2017	2018	2019	2020	2021
Housing & Dining PERS 2/3 employers' proportion of the net pension liability (asset)	0.017383%	0.017106%	0.017670%	0.016991%	0.017818%	0.018304%	0.018252%	0.009863%
Housing & Dining System PERS 2/3 employers' proportionate share of the net pension liability (asset)	\$351,380	\$611,214	\$889,666	\$590,345	\$304,222	\$178,546	\$236,926	(\$964,374)
Housing & Dining System PERS 2/3 employers' covered-employee payroll	\$1,496,262	\$1,516,820	\$1,681,103	\$1,666,293	\$1,876,389	\$1,370,045	\$2,178,332	\$1,165,232
Housing & Dining System PERS 2/3 employers' proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	23.48%	39.49%	52.92%	35.43%	16.21%	13.03%	10.88%	-82.76%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.29%	89.20%	85.82%	90.97%	95.77%	97.77%	97.22%	120.29%
* This schedule is to be built prospectively until it contains ten years of data.								

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

Agent Employer Plan

Schedule of Changes in Housing and Dining System's Proportionate Share of the WWUSRP Total Pension Liability and Related Ratios

Schedule of Changes in WWU's Net Pension Liability and Related Ratios						
WWUSRP - Housing & Dining						
Fiscal Year ended June 30*						
<i>(dollars in thousands)</i>						
	2017	2018	2019	2020	2021	2022
WWUSRP total pension liability-Beginning	\$379	\$350	\$269	\$363	\$481	\$186
Service Cost	5	32	9	10	12	3
Interest	4	36	13	13	11	13
Difference between expected and actual experience	(26)	(96)	35	28	(201)	69
Changes in assumptions	(11)	(36)	44	74	(110)	20
Benefits payments **	(1)	(17)	(7)	(7)	(7)	(8)
Net change in total pension liability	(29)	(81)	94	118	(295)	97
WWUSRP total pension liability-Ending	<u>\$350</u>	<u>\$269</u>	<u>\$363</u>	<u>\$481</u>	<u>\$186</u>	<u>\$283</u>
Plan Fiduciary Net Position ***					<u>\$70</u>	<u>\$73</u>
WWUSRP net pension liability-Ending					<u>\$116</u>	<u>\$210</u>
WWU URP employers' covered-employee payroll	\$486	\$500	\$499	\$403	\$381	\$324
WWUSRP total or net pension liability as a percentage of its covered-employee payroll (net as of FY21)	71.99%	53.81%	72.81%	119.13%	30.41%	64.75%
*This schedule is to be built prospectively until it contains ten years of data.						
** Includes amount to resolve OSA rounding issue						
*** Consistent with GASB No. 67/68, plan assets are included in financial reporting beginning in FY 21						

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

Cost Sharing Employer Plans
Schedule of Contributions

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 1 Fiscal Year Ended June 30 <i>Housing and Dining System</i>									
Fiscal Year	Contributions related to covered payroll of employees		UAAL Contributions related to covered payroll of employees	Total Contributions in relation to the Actuarially Determined Contribution deficiency (excess)		Covered payroll of employees participating in PERS 1	Covered payroll of employees participating in PERS 2/3	Total Covered-employee payroll	Contributions as a percentage of covered-employee payroll
	Contractually Required Contributions	Participating in PERS plan 1	Participating in PERS plan 2/3	Determined Contributions	Contribution deficiency (excess)	participating in PERS 1	participating in PERS 2/3	payroll	covered-employee payroll
2015	\$67,849	\$6,987	\$60,862	\$67,849	\$0	\$62,902	\$1,544,860	\$1,607,762	4.22%
2016	\$79,994	\$1,725	\$78,269	\$79,994	\$0	\$56,705	\$1,600,821	\$1,657,525	4.83%
2017	\$79,456	\$0	\$79,456	\$79,456	\$0	\$43,181	\$1,565,004	\$1,608,185	4.94%
2018	\$93,100	\$0	\$93,100	\$93,100	\$0	\$31,355	\$1,795,295	\$1,826,650	5.10%
2019	\$102,045	\$0	\$102,045	\$102,045	\$0	\$4,506	\$1,330,922	\$1,335,428	7.64%
2020	\$103,485	\$0	\$103,485	\$103,485	\$0	\$10,773	\$2,144,421	\$2,155,194	4.80%
2021	\$56,092	\$0	\$56,092	\$56,092	\$0	\$827	\$1,162,558	\$1,163,385	4.82%
2022	\$44,632	\$0	\$44,632	\$44,632	\$0	\$0	\$805,823	\$805,823	5.54%
2023									
2024									

Notes:
This schedule will be built prospectively until they contain ten years of data.

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

Cost Sharing Employer Plans
Schedule of Contributions

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 2/3 Fiscal Year Ended June 30 <i>Housing and Dining System</i>					
Fiscal Year	Contributions in relation to the			Covered- employee payroll	Contributions as a percentage of covered- employee payroll
	Contractually Required Contributions	Contractually Required Contributions	Contribution deficiency (excess)		
2015	\$83,163	\$83,163	\$0	\$1,547,592	5.37%
2016	\$105,012	\$105,012	\$0	\$1,681,103	6.25%
2017	\$106,724	\$106,724	\$0	\$1,666,293	6.40%
2018	\$140,761	\$140,761	\$0	\$1,876,389	7.50%
2019	\$155,276	\$155,276	\$0	\$1,370,045	11.33%
2020	\$170,659	\$170,659	\$0	\$2,178,332	7.83%
2021	\$91,704	\$91,704	\$0	\$1,165,232	7.87%
2022	\$76,156	\$76,156	\$0	\$805,823	9.45%
2023					
2024					
Notes:					
This schedule will be built prospectively until they contain ten years of data.					

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

Agent Employer Plan
Schedule of Contributions

Schedule of Contributions WWUSRP Plan - Housing & Dining Fiscal Year Ended June 30						
Fiscal Year	Contractually Required Contributions	Contributions in relation to the Contractually Required Contributions	Contribution deficiency (excess)	Covered-employee payroll*	Contributions as a percentage of covered-employee payroll	
2021	\$2,613	\$2,613	\$ -	\$381,428	0.68%	
2022	\$2,963	\$2,963	\$ -	\$324,347	0.91%	
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						

Notes:
This schedule will be built prospectively until they contain ten years of data.

**HOUSING AND DINING SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

OPEB INFORMATION

Cost Sharing Healthcare Plans

Schedule of Housing & Dining System's Changes in Total OPEB Liability and Related Ratios

Schedule of Housing and Dining System Changes in Total OPEB Liability and Related Ratios					
Fiscal Year ended June 30 *					
	2018	2019	2020	2021	2022
Total OPEB Liability-Beginning	\$3,663,726	\$3,577,005	\$3,279,944	\$3,442,549	\$3,733,792
Service Cost	\$90,045	\$133,243	\$139,391	\$154,941	\$114,655
Interest	\$42,178	\$91,602	\$120,913	\$129,611	\$49,553
Difference between expected and actual experience	\$0	\$83,615	\$0	-\$19,862	\$0
Changes in assumptions	-\$205,746	-\$583,308	\$225,173	\$84,017	\$21,172
Benefits payments	-\$21,495	-\$38,688	-\$55,311	-\$61,710	-\$37,753
Change in proportionate share	\$8,297	\$16,475	-\$267,560	\$136,264	-\$1,587,441
Other				-\$132,018	
Total OPEB liability-Ending	<u>\$3,577,005</u>	<u>\$3,279,944</u>	<u>\$3,442,549</u>	<u>\$3,733,792</u>	<u>\$2,293,979</u>
Housing and Dining System employers' covered-employee payroll	\$3,257,555	\$3,567,358	\$3,921,083	\$2,719,872	\$2,910,537
Housing and Dining employers' proportionate share of total OPEB liability as a percentage of its covered-employee payroll	109.81%	91.94%	87.80%	137.28%	78.82%
*This schedule is to be built prospectively until it contains ten years of data.					

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Plans administered by DRS

The Office of the State Actuary (OSA) calculates the actuarially determined contributions (ADC) based on the results of an actuarial valuation consistent with the state's funding policy defined in Chapter 41.45 RCW.

Consistent with the state's contribution-rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. For example, the actuarial valuation with a June 30, 2017 valuation date, completed in the Fall of 2018, plus any supplemental contribution rates from the preceding legislative session, determines the ADC for the period beginning July 1, 2019, and ending June 30, 2021.

Additional Considerations on ADC for All Plans: OSA calculates the ADC consistent with the methods described above. Adopted contribution rates could be different pending the actions of the governing bodies.

For cost-sharing plans, OSA calculates the contractually required contributions (CRC) using the same assumptions and methods as the ADC, except that the CRC reflect the adopted contribution rates for the time period shown. These might differ from the contribution rates produced for the ADC.

Plans administered by the University

On July 1, 2020, the state of Washington established a trust for contributions paid by WWU for the benefit of Western Washington University's Supplemental Retirement Plan (WWUSRP) in accordance with Revised Code of Washington 41.50.075. As a result, the applicable accounting guidance for the WWUSRP has changed to GASB codification section P20 "Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specific Criteria." This event gives rise to a change in WWU's estimates of future obligations, deferrals and pension expense related to the WWUSRP. WWU will now report the plan's net pension liability (total pension liability less the plan's fiduciary net position). Prior to this change in estimate WWU reported the plan's total pension liability. In addition, under GASB P20 the discount rate used to value the ending liability has changed to the expected investment return on plan assets. As such, WWU has changed from using the Bond Buyer's 20 Bond Index (2.21% for the FY 2020 liability) to using the expected investment return on plan assets (7.40% for the FY 2021 liability).

Material assumption changes during the FY 2021 measurement period include an increase in the total salary growth rate (3.50% to 3.75%), an increase in the discount rate (2.21% to 7.40%), an increase in the TIAA rate (4.00% to 4.25%), and an increase in the CREF rate (6.25% to 6.50%). Under GASB 67/68, the discount rate is now based on the long-term expected rate of return on pension plan investments, which led to the increase in the discount rate used to measure the Total Pension Liability (7.40%). The Total Pension Liability is now compared against the plan's Fiduciary Net Position to determine the Net Pension Liability.

Material assumption changes during the FY 2020 measurement period include updating the GASB 73 discount rate from 3.50% to 2.21% ("Change in assumption" which increased the TPL). Additionally, the FY 2020 returns for the Teachers Insurance and Annuity Association of America (TIAA) and CREF investments were used to determine a member's assumed income. Those returns were 4.12% for TIAA and 2.31% for CREF. This resulted in an increase in the TPL.

OPEB Plan administered by the Healthcare Authority of Washington State

The OPEB Plan has no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4 to pay related benefits. Material assumption changes during the FY 2020 measurement period relate to a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 3.50% for the June 30, 2019 measurement date, to 2.21% for the June 30, 2020 measurement date. Other material assumption changes included lowering the forecast of future healthcare cost trends. This resulted in an increase in the TOL. Legislation under H.R. 1865 repealed the excise tax after the previous measurement date. The impact of removing trends that include Excise Tax resulted in a decrease in TOL.

Material assumption changes during the FY 2019 measurement period relate to a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 3.87% for the June 30, 2018 measurement date, to 3.50% for the June 30, 2019 measurement date.

OTHER INFORMATION

SCHEDULE OF ROOM AND BOARD RATES
YEAR ENDED JUNE 30, 2022

(Unaudited)

RESIDENCE HALLS

	Meals per Quarter			
	Unlimited	125	100	80
Room and Board Academic Year Contracts				
Value Tier				
Double room/double occupancy	\$13,587.00	\$13,079.00	\$12,582.00	\$12,070.00
Single room/single occupancy	14,987.00	14,479.00	13,982.00	13,470.00
Double room/single occupancy (super single)	15,798.00	15,290.00	14,793.00	14,281.00
Triple room/triple occupancy	11,562.00	11,054.00	10,557.00	10,045.00
Standard Tier				
Double room/double occupancy	\$14,017.00	\$13,509.00	\$13,012.00	\$12,500.00
Single room/single occupancy	15,487.00	14,979.00	14,482.00	13,970.00
Double room/single occupancy (super single)	16,339.00	15,831.00	15,334.00	14,822.00
Triple room/triple occupancy	11,891.00	11,383.00	10,886.00	10,374.00
Premium Tier				
Double room/double occupancy	\$14,829.00	\$14,321.00	\$13,824.00	\$13,312.00
Single room/single occupancy	16,431.00	15,923.00	15,426.00	14,914.00
Double room/single occupancy (super single)	17,360.00	16,852.00	16,355.00	15,843.00
Triple room/triple occupancy	12,512.00	12,004.00	11,507.00	10,995.00

APARTMENTS

	Double with 2/bedroom	Super single 1/bedroom	Family rate
Apartment only Academic Year Contracts			
Birnam Wood - 2 bedroom units	\$4,314.00	\$8,628.00	\$17,255.00

**SCHEDULE OF OCCUPANCY
Year Ended June 30, 2022**

(Unaudited)

	OCCUPANCY CAPACITY		ACTUAL OCCUPANCY (3)	ACTUAL OCCUPANCY AS A PERCENT OF	
	Designed (1)	Operating (2)		Designed Capacity	Operating Capacity
Fall 2021	4,558	4,438	3,781	83.0%	85.2%
Winter 2022	4,558	4,438	3,725	81.7%	83.9%
Spring 2022	<u>4,558</u>	<u>4,438</u>	<u>3,447</u>	<u>75.6%</u>	<u>77.7%</u>
Average	4,558	4,438	3,651	80.1%	82.3%

(1) Designed capacity is the number of students for which the Housing and Dining System was originally constructed and subsequently remodeled to accommodate.

(2) Operating capacity is the number of students that can effectively be accommodated in an academic quarter based on housing policies in effect for that quarter.

(3) Actual occupancy is calculated as the quarterly average occupancy

(4) For Academic Year 2021-2022 most classes were taught in-person.

SCHEDULE OF INSURANCE COVERAGE FY 2022

WWU purchases buildings, contents and business interruption insurance for the Housing and Dining System through its participation in the State of Washington Alliant Property Insurance Program (APIP). The Housing and Dining System is responsible for 100% of its portion of the premium. Business interruption coverage is provided on rental income and earnings from insured property with specific limits for each location. Other highlights of insurance coverage are as follows:

- Repair or replacement cost coverage for all scheduled buildings for “all risk” of direct physical loss or damage, including earthquake and flood.
- The policy limit is \$500,000,000 per occurrence, with an aggregate limit of \$100,000,000 for earthquake and flood damage, and \$100,000,000 sub-limit for business interruption. A \$250,000 deductible per occurrence applies, which increases to 3% of the value of damaged property subject to a \$250,000 minimum for earthquake and flood damage.
- Equipment breakdown insurance (a.k.a. boiler & machinery insurance) – State of Washington Program, \$200,000,000 property damage limit subject to a \$5,000 deductible for covered equipment.
- Third-party bodily injury and property damage liability insurance – State Self-Insurance Liability Program (SILP), \$10,000,000 per occurrence limit, with a commercial excess liability insurance policy above, and zero deductible.

The Housing and Dining System’s property insurance in effect at June 30, 2022 is summarized as follows:

	Values Used for Fire and Extended Coverage of Buildings
Ridgeway Residences and Commons	\$113,887,577
Fairhaven Residences and Commons	83,347,111
Buchanan Towers	58,752,716
Edens Hall and Edens Hall North	43,585,611
Viking Union, Addition and Commons	62,452,650
Birnam Wood Residences	55,155,253
Nash Hall	25,043,850
Mathes hall	34,105,831
Higginson hall	22,810,969
Commissary	24,128,650
Lakewood Recreational Facility	3,498,023
Alma Clark Glass Hall (added 9/3/2021)	<u>54,188,033</u>
Building Insured Values	580,956,274
Insured Contents	<u>16,475,181</u>
Total	<u><u>\$597,431,455</u></u>

HOUSING AND DINING SYSTEM
OTHER INFORMATION

June 30, 2022 and 2021

EXPENDED FOR PLANT FACILITIES FY 2022 and FY 2021

Expenditures by the System to maintain and improve its facilities are listed below. Some of these projects are capitalized and increase the value of the System's buildings. Others are costs to maintain the buildings and infrastructure and are expensed.

	<u>2022</u>	<u>2021</u>
Capitalized Projects		
VU Multicultural Center		
Buchanan Towers Renovation		
New Residence Hall / Planning	7,312,705	38,636,683
Other capitalizable	706,737	92,550
	<u>\$8,019,442</u>	<u>\$38,729,233</u>
 Non-Capitalized Projects		
ADA Upgrades		
Bathroom & Shower renovations		
Stormwater & Site Drainage	92,447	
RC Sewer Repair	25,784	223
Painting		20,863
Equipment		23,689
Viking Union Projects	485,884	39,213
Fire Safety / Safety Corrections	13,177	36,199
Other Residence Planning		
Plumbing, heating and electrical	263,977	93
Access Control	287,370	296,190
Network & WiFi projects	315	
Furniture & Carpet	28,446	
Other	118,240	73,761
Roof Repair/Recoat/Replace		93,680
Dining Equipment / Upgrades	12,126	
Birnam Wood Siding Replacement	-	
Birnam Wood Moisture Mitigation		
Carver Dining Addition		
Comprehensive UR Bldg Audit		
Birnam Wood Balcony & Deck Rep/Rplcmt		
	<u>\$1,327,766</u>	<u>\$583,911</u>

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WADE KING STUDENT RECREATION CENTER

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**Office of the Washington State Auditor
Pat McCarthy**

November 18, 2022

Board of Trustees
Western Washington University Wade King Student Recreation Center
Bellingham, Washington

Report on Financial Statements

Please find attached our report on the Western Washington University Wade King Student Recreation Center's financial statements.

We are issuing this report for inclusion in the Center's annual comprehensive financial report package, which will be issued by the Center under the Center's own cover.

This report is in addition to our regular financial statement audit report, which will be available on our website and includes the Center's basic financial statements.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.



**Office of the Washington State Auditor
Pat McCarthy**

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE
FINANCIAL STATEMENTS**

Board of Trustees
Western Washington University Wade King Student Recreation Center
Bellingham, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the business-type activities of the Western Washington University Wade King Student Recreation Center as of and for the years then ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Center's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Western Washington University Wade King Student Recreation Center, as of June 30, 2022 and 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Matters of Emphasis

The financial statements of the Western Washington University Wade King Student Recreation Center, a department of the University, are intended to present the financial position, and the changes in financial position, and where applicable, cash flows of only the respective portion of the activities of the University that attributable to the transactions of the Center. They do not purport to, and do not, present fairly the financial position of the University as of June 30, 2022, the changes in its financial position, or where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Center'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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audits;
- 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 audits 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 Center’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 Center’s ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated November 18, 2022, on our consideration of the Center’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 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 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 Center's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

November 18, 2022

Overview

Western Washington University Wade King Student Recreation Center (the Recreation Center) is a state-of-the-art open recreation fitness and wellness facility that has been created and shaped by the vision and support of Western Washington University (WWU) students. The Recreation Center was one of the nation's first recreation centers designed to meet Leadership in Energy and Environmental Design (LEED).

The following discussion and analysis provide an overview of the financial position and activities of the Recreation Center for the fiscal years ended June 30, 2022, and 2021. This discussion has been prepared by management and should be read in conjunction with the financial statements and accompanying notes which follow this section.

Impacts of the COVID-19 Pandemic

The outbreak of COVID-19 is a significant event that has had material effects on the finances and operations of the Recreation Center. On March 23, 2020, the Governor issued a statewide "Stay Home, Stay Healthy" proclamation, requiring individuals to stay home except for essential activities, banning social and other gatherings, and closing all businesses except for those businesses designated as essential. The proclamation was made in fiscal year (FY) 2020 and the timing was such that Winter quarter concluded with modest disruptions, and Spring quarter began with the closure of the Recreation Center. As a result, Spring quarter 2020 Recreation Center utilization was materially reduced for the fiscal year. The resultant declines in Spring Quarter operating activity had a significant effect on the Recreation Center revenues and expenditures and are the primary reason for the financial variances reviewed in this discussion and analysis. In FY 2021, the Recreation Center remained closed throughout Summer and Fall 2020. Halfway through Winter quarter, the Recreation Center was open by reservation only, and continued into Spring quarter, limiting occupancy to no more than 300 a day. These modes of operation continued to have economic impact on the revenues and expenditures of the facility. The Recreation Center reopened in February 2021 with COVID-19 safety restrictions in place and brought its rate up to the previously approved amount of \$109.46 per quarter. During FY 2022, most of the COVID-19 restrictions had been lifted as the severity of the pandemic waned. The Recreation Center was able to fully open under normal operations.

Using the Financial Statements

The Recreation Center's financial reports include the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows.

The statements are prepared in accordance with Governmental Accounting Standard Board (GASB) principles, which establish standards for external financial reporting for public colleges and universities. The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

Statement of Net Position

The Statement of Net Position presents the financial condition of the Recreation Center at the end of the fiscal year and reports all assets and liabilities of the Recreation Center.

The amounts in these statements represent the assets available to continue the operations of the Recreation Center and identify the amount owed to vendors and other parties. The sum of assets and deferred outflows less liabilities and deferred inflows is net position. Net position is one indicator of the current financial condition of the Recreation Center.

**WADE KING STUDENT RECREATION CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2022 and 2021

Below is a condensed view of the Statements of Net Position as of June 30, 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Assets			
Current assets	\$1,110,866	\$1,044,359	\$929,001
Noncurrent assets	4,205,840	3,791,395	3,930,083
Capital assets, net	<u>16,427,194</u>	<u>17,380,024</u>	<u>18,348,957</u>
Total assets	21,743,900	22,215,778	23,208,041
Deferred Outflows	<u>408,270</u>	<u>427,848</u>	<u>460,916</u>
Liabilities			
Current liabilities	1,023,949	1,180,173	1,067,210
Noncurrent liabilities	<u>18,634,877</u>	<u>19,266,117</u>	<u>20,253,374</u>
Total liabilities	19,658,826	20,446,290	21,320,584
Deferred Inflows	<u>532,608</u>	<u>308,663</u>	<u>286,819</u>
Net Position			
Net investment in capital assets	(1,798,001)	(1,545,124)	(1,414,054)
Restricted for pensions	63,938		
Restricted for system renewal and replacements	3,277,348	3,212,596	3,237,514
Unrestricted	<u>417,451</u>	<u>221,201</u>	<u>238,094</u>
Total net position	<u>\$1,960,736</u>	<u>\$1,888,673</u>	<u>\$2,061,554</u>

The primary components in the asset category are cash, investments, receivables and capital assets. Total assets decreased \$471,878 (-2.1%) and \$992,263 (-4.3%) in FY 2022 and FY 2021, respectively.

In FY 2022, total cash and investments increased \$121,168 (2.5%) (see Note 2) primarily due to increased revenue generated as the Recreation Center was able to fully restore operations as the COVID-19 pandemic waned. In FY 2021, total cash and investments decreased \$71,676 primarily due to reductions in fees collected because of decreased enrollment. In FY 2021, current unrestricted cash and investments increased \$67,012 primarily due to the sale of investments and reductions in operating expenses. In FY 2020, current unrestricted cash and investments increased \$61,414 (7.3%) due to liquidating some long-term investments.

During FY 2022, most of the retirement plans managed by the Department of Retirement Systems (DRS) became fully funded and as such, a net pension asset has been recorded compared to the previous year's net pension liability. The Recreation Center's share of the net pension asset is \$283,509 for FY 2022 (see Note 5).

FY 2022 saw a net decrease of \$952,830 (-5.5%) and a net decrease of \$968,933 (-5.3%) in FY 2021 in capital assets due to depreciation and no additional purchases of capital assets.

Current liabilities typically fluctuate depending on the timing of accounts payable payments and the receipt of deposits and revenue that is applicable to the next fiscal year. Current liabilities increased \$112,963 (10.6%) during FY 2021 but decreased \$156,224 (-13.2%) in FY 2022 due to changes to accounts payable and unearned revenue balances and the current portion of the bonds payable. The FY 2021 increase in unearned revenue is due to the Recreation Center resuming its Summer 2021 fee that was postponed during Summer 2020.

Non-current liabilities decreased \$631,240 (-3.3%) in FY 2022 and \$987,257 (-4.9%) in FY 2021 mainly attributable to principal payments made on outstanding bonds (see Note 4) plus changes in pension and other postemployment benefits (OPEB) liabilities. The net pension liability decreased \$51,719 (-36.2%) while the OPEB liability increased \$48,909 (7.9%) during FY 2022, as opposed to a combined decrease of \$147,204 during FY 2021. These changes are primarily due to the fluctuations in the discount rate used for the OPEB calculation and the movement to net pension assets rather than liabilities as some DRS managed plans are fully funded

The difference between assets and deferred outflows less liabilities and deferred inflows is net position. The change in net position measures whether the overall financial condition has improved or deteriorated during the year and is driven by the difference between revenues and expenses. Total net position increased \$72,063 (3.8%) during FY 2022. Total net position decreased \$172,881 (-8.4%) during FY 2021 as revenues fell.

Net Position – Net investment in capital assets decreased by \$252,877 (-16.4%) in FY 2022 and decreased by \$131,070 (-9.3%) in FY 2021 because the Recreation Center facility is being depreciated at a faster rate than the related debt is being repaid.

Net Position - Restricted for system renewals and replacements increased by \$64,752 (2.0%) during FY 2022 as contributions exceeded expenditures. During DY 2021, this net position category decreased by \$24,918 (-0.8%) due to spending on planned maintenance. Funds for renewal and replacement are set aside according to the capital and maintenance plan required by the debt covenants. These funds are classified as restricted on the Statement of Net Position.

Net Position – Restricted for pensions increased \$63,938 during FY 2022 as a result of some of the DRS managed retirement plans being fully funded. This funding change created restricted net pension assets rather than unrestricted net pension liabilities.

Unrestricted net position increased by \$196,250 (88.7%) during FY 2022 due to some of the DRS managed pension plans being fully funded combined with revenues being more than expenses. Unrestricted Net Position decreased slightly by \$16,893 (-7.1%) in FY 2021 due to the economic impacts of COVID-19.

Statement of Revenues, Expenses, and Changes in Net Position

The changes in Total Net Position, as presented on the Statement of Net Position, are detailed in the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. This statement presents the Recreation Center's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as operating or non-operating.

In general, operating revenues are those received for providing goods and services to the members of the Recreation Center, primarily students. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues.

Non-operating revenues are monies received for which goods and services are not provided, such as investment income. Non-operating expenses include interest expense on outstanding debt and amortization of bond premium.

**WADE KING STUDENT RECREATION CENTER
MANAGEMENT'S DISCUSSION AND ANALYSIS**

June 30, 2022 and 2021

Following is a condensed version of the Statement of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2022, 2021 and 2020:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 4,544,302	\$ 3,674,920	\$ 4,583,662
Operating expenses	<u>(3,832,974)</u>	<u>(3,115,823)</u>	<u>(3,656,847)</u>
Income from operations	711,328	559,097	926,815
Nonoperating revenues	23,986	54,854	89,554
Nonoperating expenses	<u>(663,251)</u>	<u>(786,832)</u>	<u>(816,027)</u>
Increase in net position	<u>72,063</u>	<u>(172,881)</u>	<u>200,342</u>
Net position, beginning of year	1,888,673	2,061,554	1,861,212
Net position, end of year	<u>\$ 1,960,736</u>	<u>\$ 1,888,673</u>	<u>\$ 2,061,554</u>

Revenues

The Recreation Center's largest source of revenue is a \$109.46 per quarter mandatory service and activity (S&A) fee charged to each student taking six or more credits. This fee, called the "Student Recreation Fee," entitles use of the facility for those students taking six or more credits on WWU's main campus and is utilized for bond repayment as well as maintenance and operations within the facility. The revenue is net of an RCW required 3.5% allocation to an institutional financial aid fund (See Note 1). The academic yearly average (AYA) of students taking 6 or more credits increased to 12,190 in FY 2022 from 11,992 in FY 2021 but was a decrease from 13,176 in FY 2020. The increase in Recreation Center revenue in FY 2022 was due to a full reopening of the Recreation Center for the entire fiscal year and a full fee collection. During FY 2021 there was a decrease in AYA, resulting primarily from the COVID-19 Summer and Fall 2020 closure and partial fee collection, which lowered fee revenue by \$472,693 (-11.5%) to \$3,639,598. The academic yearly average (AYA) of students taking 6 or more credits decreased in FY 2020 to 13,176 from 13,629 in FY 2019. This decrease in AYA, resulting primarily from the COVID-19 Spring 2020 closure and partial fee collection, lowered fee revenue by \$334,557 (-7.5%) to \$4,112,291. The AYA does not include summer term.

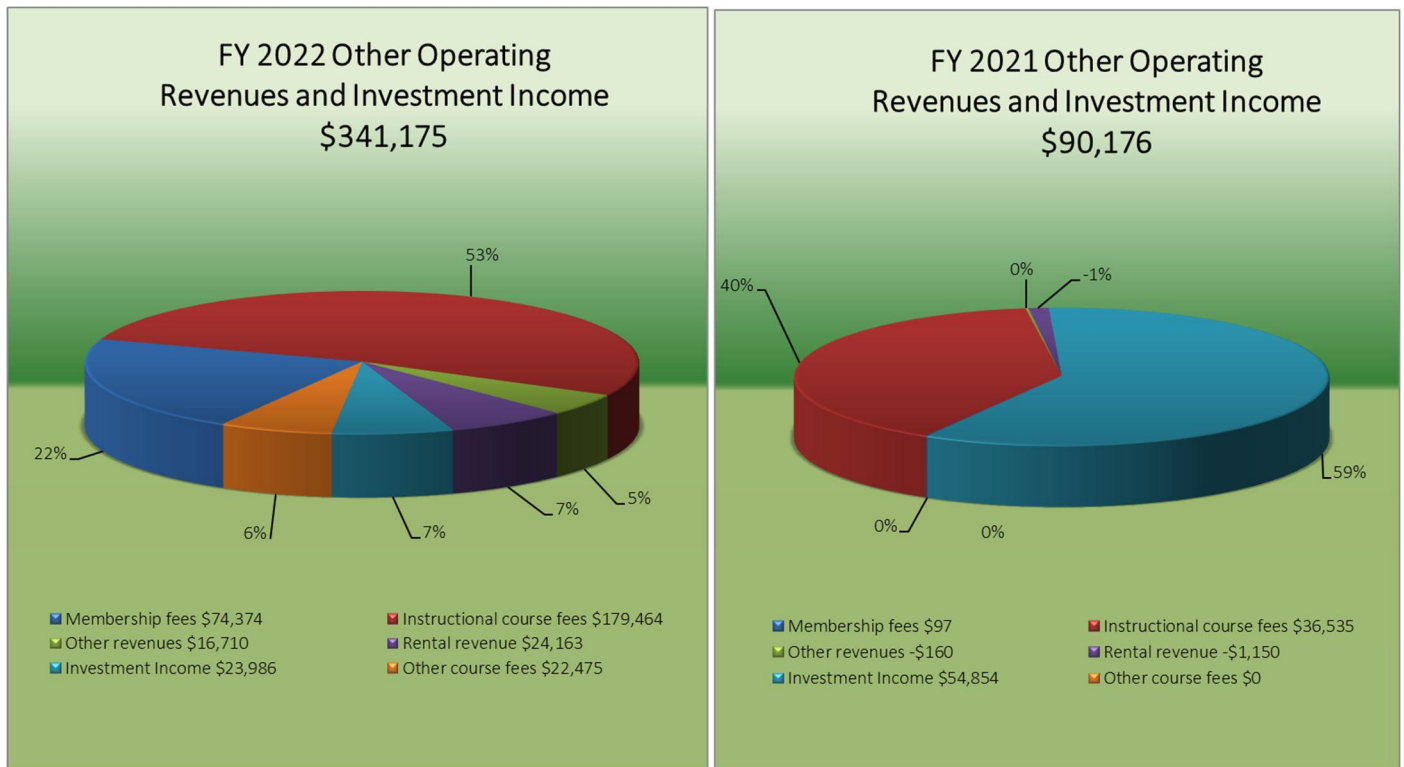
In addition to the mandatory student fee, the Recreation Center is supported by "Other Operating Revenues and Investment Income" as shown in the charts below.

Other students, faculty, staff, and alumni may pay a membership fee on a voluntary basis to gain access to the facility. This voluntary membership fee revenue increased dramatically by \$74,277 during FY 2022. Almost no revenue was collected during FY 2021 as that revenue account decreased significantly by \$215,663 (-100.0%) from FY 2020. This is completely attributed to the decrease in membership from the closure of Spring 2020, Summer 2020 and Fall 2020 due to COVID-19.

With the full reopening of the Recreation Center, instructional course fees saw an increase in FY 2022 of \$142,929 (391.2%), which is a stark contrast from the decrease in FY 2021 of \$68,750 (-65.3%) due to the facility closure of Summer and Fall 2020. In addition, upon returning to reduced operations in Winter 2021, the Recreation Center was unable to deliver normal class instruction due to a reservation system use of the facility.

Rental revenue was nonexistent in FY 2021 due to facility closures and restrictions on use. With facility rental refunds given, the Recreation Center rental revenue decreased by \$35,418 (-103.4%) during FY 2021. During the renewed year of FY 2022 rental revenue increased significantly by \$24,163 from a refund season of -\$1,150 from FY 2021.

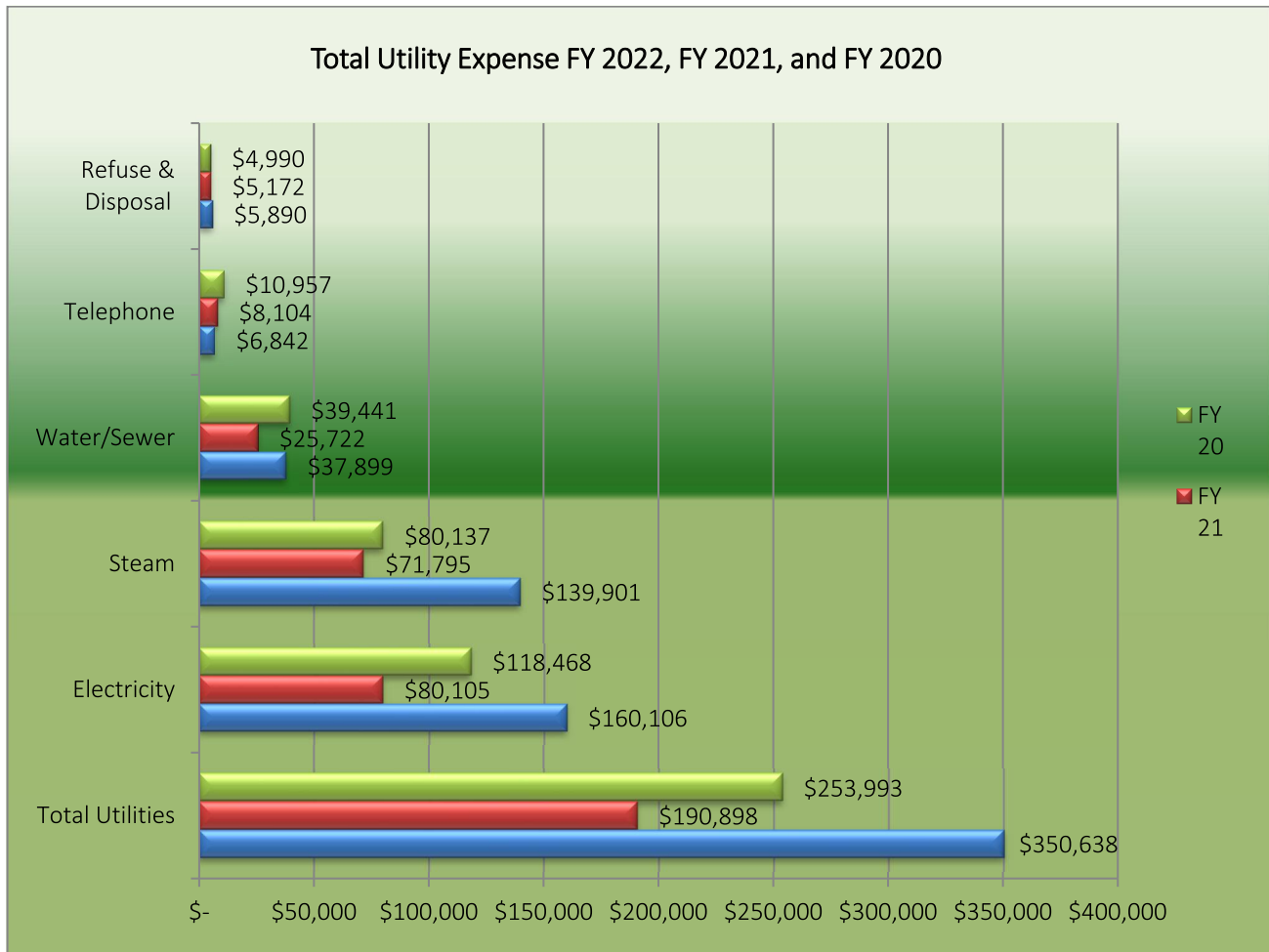
Other revenues were also eliminated in FY 2021 due to facility closures and restrictions on use. Those revenues decreased by \$98,124 (-100.2%) in FY 2021. During more normal conditions of FY 2022, other revenues increased by \$16,710 from a negative revenue of -\$160 in FY 2021.



Expenses

The largest category of expenses for the Recreation Center is student and staff salaries and benefits expense. Salaries and benefits comprised 47.0% of the total operating expense in FY 2022 compared to 36.4% of the total operating expenses in FY 2021. During FY 2022, salaries and benefits expense increased by \$653,006 (57.6%) due to full student employment. This is in contrast to the \$568,128 (-33.4%) decrease in salaries and benefits in the previous FY 2021 due to a lack of student employment during the COVID-19 facility closure.

Total utility expenses increased by \$159,740 (83.7%) in FY 2022 due to a fully functional operational schedule. Total utility expenses decreased significantly at \$63,095 in FY 2021. This significant decrease in utility usage was due to a March 2020 – February 2021 closure of the Recreation Center related to the COVID-19 pandemic. The below graph provides information on the components of the utilities expense category.

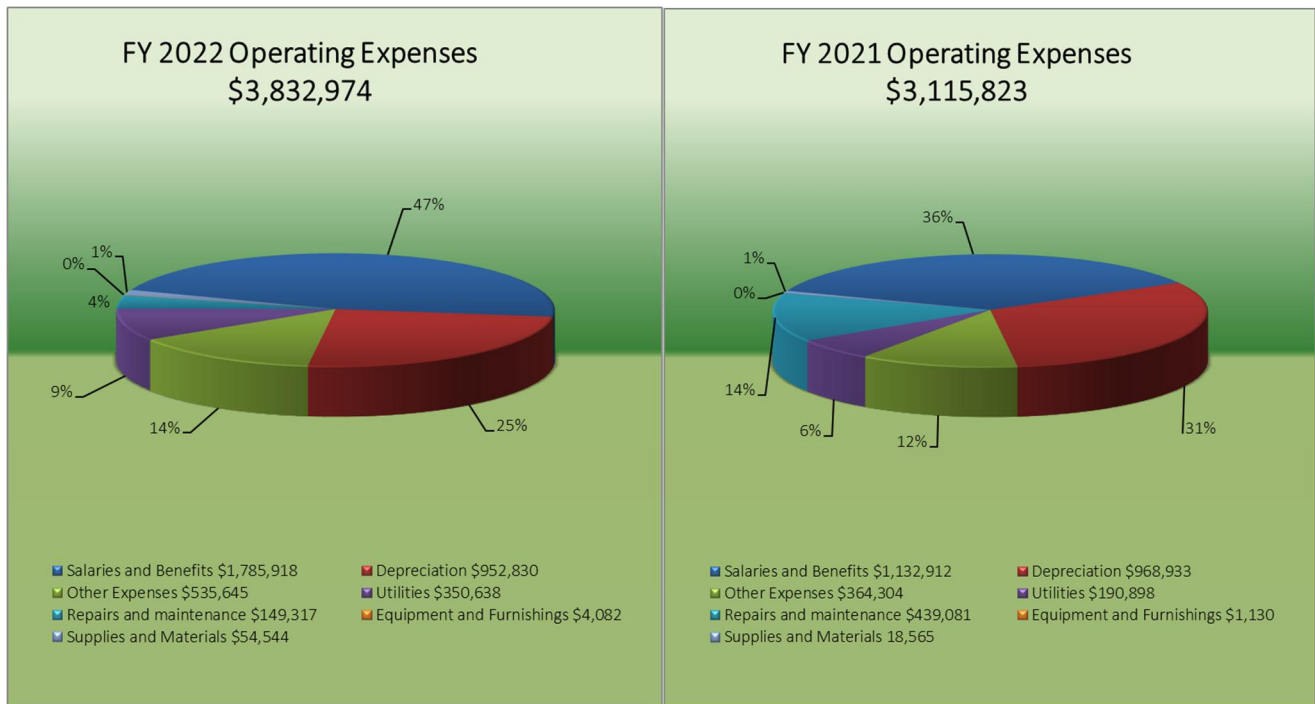


During FY 2022, the Recreation Center sought a more standard approach to repairs and maintenance. This approach dropped the repairs and maintenance numbers by \$289,763 (-66.0%) from FY 2021. FY 2021 saw a \$227,686 (107.7%) increase in repairs and maintenance. Recreation Center management thought it prudent to conduct much needed maintenance on the building during an opportune COVID-19 closure.

The Recreation Center has an equipment replacement plan which budgets \$100,000 per year in equipment replacement and refurbishment. The anticipated budget spending of \$100,000 did not occur in FY 2017; therefore, it was reflected in FY 2018 as the Recreation Center spent \$273,875 (935.7%) more than in FY 2017 to catch up on its equipment needs from the previous two fiscal years. That “skip over” year occurred again in FY 2019 as the Recreation Center spent only \$51,987 (-82.9%) in equipment and furnishings. It should be noted that even though the Recreation Center was expected to have a larger equipment purchase in FY 2022 and FY 2021, this expense category was put on hold due to COVID-19 budget implications. The Recreation Center spent only \$4,082 (261.2%) and \$1,130 (-98.3 %) on equipment and furnishings in FY 2022 and FY 2021, respectively.

With a full reopening of the Recreation Center, it was necessary to purchase adequate supplies for the year. During FY 2022, the Recreation Center spent \$54,544, which was an increase of \$35,979 (193.8%) from FY 2021. Due to Spring 2020, Summer 2020 and Fall 2020 closures and budget implications due to COVID-19, supplies and materials spending was put on hold and spending decreased by \$26,914 (-59.2%) in FY 2021.

WWU's administrative services assessment (ASA) fee increased by \$48,516 (22.8%) in FY 2022 due to a full year of facility operations and revenue collection. This fee decreased by \$48,132 (-18.4%) in FY 2021. This is directly related to the decrease in revenue on which the assessment fee is assessed. The reduction in Summer 2020 and Fall 2020 revenue due to the COVID-19 closure directly affected the amount of ASA collected in FY 2021.



Reserve Funds

Bond covenants require an annual addition to the renewal and replacement (R&R) reserve based on management's assessment of the funding level necessary to maintain the facility over the long term. Management reaffirmed the Facilities Management lifecycle maintenance plan for major maintenance and building repair and increased the annual contribution to \$250,000 beginning in FY 2009 to meet anticipated building maintenance and repairs expenses. Due to reduced revenue from COVID-19 implications only \$50,000 and \$200,000 was placed into the R&R reserve, respectively for FY 2022 and FY 2021. This reduction is not seen as cause for concern since the closures effectively reduced the wear and tear on much of the facility. As of June 30, 2022, the total restricted and unrestricted R&R balance was \$3,531,052. The restricted funds must be used to improve or maintain the Recreation Center facility.

Management established an Operating Reserve in FY 2005 for unforeseen or extraordinary expenses. The reserve acts as an emergency fund for unplanned repairs, insurance deductibles, and as an operating cushion to cover unforeseen decreases in revenue. Reserve funds can also be designated for facility improvements beyond basic maintenance or for the purchase of new equipment. Due to the COVID-19 revenue impacts there was a need to transfer \$150,000 to support recreation center operations in FY 2021. No funds were used in FY 2022. Contributions to this reserve in the past three years include \$0 in FY 2022 and FY 2021 and \$100,000 in FY 2020. As of June 30, 2022, the Operating Reserve balance was \$1,001,214.

Financial Indicators

Ratios can be helpful in evaluating the Recreation Center's financial health and performance. The debt service coverage ratios for FY 2022, 2021, and 2020 were 2.85, 2.29, and 2.87, respectively. Bond covenants require a debt service ratio of at least 1.25. This ratio is calculated by dividing total operating revenues and investment income by the actual annual debt service paid during the fiscal year on the outstanding revenue bonds. The debt service amounts for FY 2022, FY 2021 and FY 2020 were \$1,603,163, \$1,629,625, and \$1,628,150 ,respectively.

The Current ratio measures liquidity or the ability to meet current obligations with liquid assets. It is calculated by dividing current assets over current liabilities. For FY 2022, 2021 and 2020, this ration was 108.49%, 88.49% and 87.05%, respectively.

The Return on Net Position indicates whether the Recreation Center is financially better off than in previous years by measuring total economic return. It is calculated by dividing the change in net position by total net position. For FY 2022, FY 2021 and FY 2020, that ratio was 3.68%, -0.09% and 9.72%.

Utilization Rates

The reporting of utilization rates during FY 2021 seems somewhat irrelevant, considering that the Recreation Center was closed 8 of the 12 months. In addition, once the building reopened, it served students on a very restricted reservation basis, limiting what once was 2,000 students a day to under 500. Comparing FY 2022 to FY 2020, before the complete COVID 19 closure, we see the total number of visits has decreased. The utilization as a percentage of students enrolled was 8,485 (69.6%) of the estimated 12,190 AYA enrolled students using the facility. AYA does not include summer term. Utilization information is recorded in the Recreation Center's software system when students present their membership cards upon entry to the facility. Visits by members and non-members totaled only 225,217 during FY 2022 compared with 246,286 during FY 2020. The highest number of visits, in a given day, recorded almost 1,600 in FY 2022, which is a decrease from the 2,300 in FY 2020.

Economic Factors That Will Affect the Future

Overall enrollment is anticipated to be lower than normal in FY 2023 as we continue to recover from the COVID-19 pandemic. The Recreation Center will again rely on emergency funds from the Operations Reserve to offset any loss or shortfall in revenue. Furthermore, the Recreation Center will become more creative in terms of promoting supplemental revenue through new class offerings, rentals, and new recreational programs. Major repairs will be placed on hold for FY 2023 until we have an assessment of the economic impact of the anticipated lower enrollment. The Recreation Center Advisory Committee (RCAC) will likely seek to increase the mandatory recreation fee for FY 2024 to combat the rising operational costs, such as student wages, utilities, maintenance.

WADE KING STUDENT RECREATION CENTER
STATEMENT OF NET POSITION

June 30, 2022 and 2021

Assets	2022	2021
Current assets		
Cash and cash equivalents (Note 2)	\$301,314	\$523,382
Investments (Note 2)	454,721	448,714
Accounts receivable, net of allowance of \$6,728 in 2022 and \$5,931 in 2021	68,998	69,733
Prepaid Expenses	-	45
Net pension assets (Note 5)	283,509	-
Inventory	<u>2,324</u>	<u>2,485</u>
Total current assets	<u>1,110,866</u>	<u>1,044,359</u>
Noncurrent assets		
Investments (Note 2)	851,276	578,800
Restricted cash and cash equivalents (Note 2)	613,520	1,083,616
Restricted investments (Note 2)	2,663,828	2,128,979
Capital assets, net (Note 3)	16,427,194	17,380,024
Other Assets	<u>77,216</u>	<u>-</u>
Total noncurrent assets	<u>20,633,034</u>	<u>21,171,419</u>
Total assets	<u>21,743,900</u>	<u>22,215,778</u>
Deferred Outflows		
Relating to pensions (Note 5)	104,895	93,624
Relating to OPEB (Note 6)	71,090	74,314
Deferred loss on bond refunding	<u>232,285</u>	<u>259,910</u>
Total deferred outflows	408,270	427,848
Liabilities		
Current liabilities		
Accounts payable and accrued expenses	11,797	5,083
Accrued wages and benefits	68,741	54,329
Unearned revenue	30,891	113,824
Interest payable	106,333	125,842
Current portion of Net pension liability (Note 4,5)	-	-
Current portion of Net OPEB liability (Note 6)	11,187	11,095
Current portion of bonds payable (Note 4)	<u>795,000</u>	<u>870,000</u>
Total current liabilities	<u>1,023,949</u>	<u>1,180,173</u>
Noncurrent liabilities		
Compensated Absences	212,871	188,723
Net pension liability (Note 4, 5)	90,955	142,674
Net OPEB liability (Note 6)	668,571	619,662
Bonds payable, less current portion (Note 4)	<u>17,662,480</u>	<u>18,315,058</u>
Total noncurrent liabilities	<u>18,634,877</u>	<u>19,266,117</u>
Total liabilities	<u>19,658,826</u>	<u>20,446,290</u>
Deferred Inflows		
Relating to pensions (Note 5)	377,437	140,961
Relating to OPEB (Note 6)	<u>155,171</u>	<u>167,702</u>
Total deferred inflows	532,608	308,663
Net Position		
Net investment in capital assets	(1,798,001)	(1,545,124)
Restricted for pensions	63,938	-
Restricted for system renewals and replacements	3,277,348	3,212,596
Unrestricted	<u>417,451</u>	<u>221,201</u>
Total net position	<u>\$1,960,736</u>	<u>\$1,888,673</u>

WADE KING STUDENT RECREATION CENTER
STATEMENT OF REVENUES, EXPENSES & CHANGES IN NET POSITION

For the Years Ended
June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Service and activity fees, net of mandatory transfer	\$4,227,116	\$3,639,598
Staff, faculty and alumni membership fees	74,374	97
Instructional course fees	179,464	36,535
Other course fees	22,475	-
Rental revenue	24,163	(1,150)
Other revenues	16,710	(160)
Total operating revenues	<u>4,544,302</u>	<u>3,674,920</u>
Operating Expenses		
Salaries and benefits	1,785,918	1,132,912
Depreciation	952,830	968,933
Utilities	350,638	190,898
Repairs and maintenance	149,317	439,081
Equipment and furnishings	4,082	1,130
Supplies and materials	54,544	18,565
Administrative assessment	261,731	213,215
Insurance	37,142	56,366
Other	236,772	94,723
Total operating expenses	<u>3,832,974</u>	<u>3,115,823</u>
Income from operations	711,328	559,097
Nonoperating Revenues (Expenses)		
Investment income	23,986	54,854
Interest expense	(663,251)	(786,832)
Total nonoperating (expenses) revenues	<u>(639,265)</u>	<u>(731,978)</u>
Increase/(Decrease) in net position	72,063	(172,881)
Net Position, Beginning of Year	<u>1,888,673</u>	<u>2,061,554</u>
Net Position, End of Year	<u><u>\$1,960,736</u></u>	<u><u>\$1,888,673</u></u>

WADE KING STUDENT RECREATION CENTER
STATEMENT OF CASH FLOWS

For the Years Ended
June 30, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Cash received from students and other customers	\$4,462,104.00	\$3,740,440
Payments to employees	(1,817,687)	(1,226,508)
Payments to suppliers	(1,087,306)	(1,010,838)
Net cash flows provided by operating activities	1,557,111	1,503,094
Cash Flows from Investing Activities		
Net (purchases)/ sales/ of investments in internal investment pool	(813,332)	271,759
Investment income received	23,986	54,854
Net cash flows provided by/(used in) investing activities	(789,346)	326,613
Cash Flows from Capital and Related Financing Activities		
Proceeds from bond issue	18,498,407	-
Interest paid on capital debt	(589,929)	(784,624)
Principal paid on capital debt	(19,368,407)	(845,000)
Net cash used in capital and related financing activities	(1,459,929)	(1,629,624)
Net increase/(decrease) in cash and cash equivalents	(692,164)	200,083
Cash and cash equivalents, beginning of year	1,606,998	1,406,915
Cash and cash equivalents, end of year	\$914,834	\$1,606,998
Reconciliation of Operating Income to Net Cash Provided to Operating Activities		
Income from operations	\$711,328	\$559,097
Adjustments to reconcile operating income to net cash flows from operating activities		
Depreciation	952,830	968,933
Change in operating assets and liabilities		
Accounts receivable	735	(48,303)
Accounts payable, accrued expenses, salaries and benefits	45,274	69,752
Prepaid Expense	45	(45)
Unearned revenue	(82,933)	113,824
Pension and OPEB liabilities and related deferred outflows and inflows of resources	(70,329)	(160,166)
Inventory	161	2
Net cash flows provided by operating activities	\$1,557,111	\$1,503,094

NOTE 1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization

The Western Washington University Wade King Student Recreation Center (the Recreation Center) is a self-supporting, auxiliary enterprise of Western Washington University (WWU). The Recreation Center is an open recreation fitness and wellness facility for the benefit of eligible students and associated members of WWU. The facility includes a lap/leisure pool and a whirlpool, a three-court gym with elevated running track, a multi-activity court, a rock-climbing wall, weight and cardio areas, two group exercise/aerobic rooms, locker rooms, an injury rehabilitation room, a retail food service and lounge area, a conference room, and administrative offices for the Department of Campus Recreation. The Recreation Center is located on WWU's main campus and is supported by a service and activity fee assessed to students quarterly. In addition, memberships are available for purchase by faculty/staff, alumni, and others closely associated with WWU.

The facility was named in memory of Wade King, a 10-year-old who died in 1999 in a pipeline explosion in Bellingham. Prior to FY 2011, Wade King's parents, Frank and Mary King, pledged a lifetime gift of \$50,000 per year to the Western Washington University Foundation, a related party, restricted for support to ensure continued quality facilities and programs at the Recreation Center. The Recreation Center requests funds from the Western Washington University Foundation when expenditures are incurred. This gift has been restructured to an estate gift.

Financial Statement Presentation

The financial statements are presented in accordance with generally accepted accounting principles and follow the guidance given by the Governmental Accounting Standards Board (GASB). These statements are special purpose reports reflecting the net position, results of operations and cash flows of the Recreation Center. These statements present only a selected portion of the activities of WWU. As such, they are not intended to and do not present either the financial position, results of operations, or changes in net position of WWU.

Basis of Accounting

The Recreational Center's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

Cash, Cash Equivalents and Investments

WWU records all cash, cash equivalents and investments at fair value. To maximize investment income, WWU combines funds from all departments into an investment pool. The Recreation Center records their share of cash, cash equivalents and investments in the same relation as WWU investment pool itself. Investment income is allocated to the Recreation Center in proportion to its average balance in the investment pool.

Inventory

Inventory consists primarily of athletic and other supplies. Inventory is stated at the lower of cost (first-in, first-out method) or market.

Accounts Receivable

Receivables are recorded at their principal balances and are due primarily from WWU students. The Recreation Center considers all accounts greater than 30 days old to be past due and uses the allowance method for recognizing bad debts. When an account is deemed uncollectible, it is written off against the allowance.

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Management determined that an allowance of \$6,728 and \$5,931 as of June 30, 2022, and 2021 respectively, is adequate.

Capital Assets, Net

The building used for the Recreation Center's operations is located on WWU's main campus. Building and equipment are stated at cost, net of accumulated depreciation. The Recreation Center capitalizes any expenditure for buildings, improvements, and equipment that have a cost of at least \$5,000 and an estimated useful life of more than one year. Depreciation is calculated on the straight-line basis over the estimated useful lives of the assets, forty years for buildings and five to seven years for equipment.

Deferred Outflows of Resources and Deferred Inflows of Resources-Bond Refunding

The Recreation Center classifies losses on retirement of debt as deferred outflows of resources and amortizes such amounts as a component of interest expense over the remaining life of the old debt, or the new debt, whichever is shorter.

Changes in net pension liability, assets, and OPEB not included in pension expense are reported as deferred outflows of resources or deferred inflows of resources. Employer contributions, subsequent to the measurement date of the net pension liabilities, are reported as deferred outflows of resources.

Unearned Revenue

Summer quarter, which is the first quarter of WWU's fiscal year, begins shortly before June 30. The majority of the cash received for service and activity fees related to summer session are recorded as unearned revenue until the following fiscal year when the revenue is earned.

Compensated Absences

The accrued leave balances as of June 30, 2022, and 2021 are \$212,871 and \$188,723, respectively. This consists of unused vacation leave and compensatory time earned for exempt professionals and classified staff. It also includes a percentage of earned and unused sick leave for exempt professionals and classified staff. For reporting purposes, the entire balance of accrued leave is considered a noncurrent liability as more leave is accrued than what is used.

Cost-Sharing Pensions Plans

The net pension asset or liability is measured as the Recreation Center's proportionate share of the collective total pension liability, less the fiduciary net position, of the cost-sharing pension plans in which the Recreation Center participates. The total pension liability is determined by discounting projected benefit payments based on the benefit terms and legal agreements existing at the pension plan's fiscal year-end. Projected benefit payments are required to be discounted using a single rate that reflects the expected rate of return on investments, to the extent that plan assets are available to pay benefits. The Recreation Center's proportionate share is determined based on the relationship of the Recreation Center's contributions to total contributions to the plan by all participating employers. Pension expense is recognized for benefits earned during the period, interest on the unfunded liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows of resources or deferred outflows of resources and are recognized over the average expected remaining service period for employees eligible for pension benefits. Differences between expected and actual investment returns are reported as deferred inflows of resources or deferred outflows of resources and are recognized over five years.

Contributions made to the plan subsequent to the measurement date and prior to the University's fiscal year-end are reported as a deferred outflow of resources and recognized in the subsequent fiscal year. The measurement date for the net pension asset or liability is June 30 of the prior fiscal year.

Single Employer Pension Plan (WWU Supplemental Retirement Plan)

Legislation signed into law on July 1, 2020, amended the RCW applicable to the WWUSRP to define plan provisions including limits on member eligibility, benefit payments, vesting terms and contribution rates. As a result of these amendments, the Recreation Center is unable to modify the terms of the plan.

Administration of the benefit calculations and payments remain the responsibility of WWU until the state's Pension Funding Council determines the trust has sufficient assets, at which time the Department of Retirement Systems will assume those duties in accordance with RCW 41.50.280. Other agencies of the state of Washington perform the duties of a board and hold the substantive powers in relation to the WWUSRP. WWU does not perform the duties of a board or hold any of the substantive powers that would make the plan a fiduciary component unit of WWU.

The net pension liability is determined by discounting projected benefit payments for current participants and retirees, based on the benefit terms and legal agreements existing at the pension plan's fiscal year-end. The discount rate used for the total pension liability as of June 30, 2022, reflects the expected rate of return on investments, to the extent that plan assets are available to pay retiree benefits. The discount rate used for the net pension liability as of June 30, 2021, is the yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average credit rating of AA/Aa or higher. The WWUSRP liability as of June 30, 2022, represents the total pension liability less the plan's fiduciary net position. The WWUSRP liability as of June 30, 2021, represents the total pension liability. Pension expense is recognized for benefits earned during the period, interest on the unfunded liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors, are reported as deferred inflows of resources or deferred outflows of resources and are recognized over the average expected remaining service period for employees eligible for pension benefits. Differences between expected and actual investment returns are reported as deferred inflows of resources or deferred outflows of resources and are recognized over five years. The measurement date for the WWUSRP liability is the same as the Statements of Net Position date.

Other Post-Employment Benefits (OPEB)

The total OPEB liability is measured as the Recreation Center's proportionate share of the state of Washington total OPEB liability, with the proportionate share determined based on the relationship of the Recreation Center's healthcare-eligible headcount to the total healthcare-eligible headcount for the state. The total OPEB liability is determined by discounting projected benefits subsidies for current employees and retirees based on the discount rate required by GASB Statement No. 75 for OEB plans that do not have assets residing in a qualified trust. OPEB expense is recognized for subsidies earned for the period, interest on the total OPEB liability and changes in benefit terms. Differences between expected and actual experience, and changes in assumptions about future economic or demographic factors are reported as deferred inflows of resources or deferred outflows of resource, and are recognized over the average expected remaining service period for the healthcare-eligible employees. Contributions made to the plan subsequent to the measurement date and prior to the Recreation Center's fiscal year-end are reported as a deferred outflow or resources, and recognized in the subsequent fiscal year. The measurement date for the total OPEB liability is June 30 of the prior fiscal year.

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Net Position

The Recreation Center's net position is classified as follows:

Net investment in capital assets. This represents the Recreation Center's total investment in capital assets, net of outstanding debt obligations related to those capital assets as well as unamortized bond issue costs. The deficit in this net position relates to depreciation expense exceeding the principal reduction on the outstanding bonds.

Restricted expendable. Restricted expendable includes resources in which the Recreation Center is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted for system renewals and replacements. Restricted net position represents resources restricted in accordance with bond covenants for system renewals and replacements. Restricted assets are used in accordance with their requirements and where both unrestricted and restricted resources are available for use, unrestricted resources are used first and restricted resources only when the specific use arises.

Unrestricted net position. Unrestricted net position represents resources derived from operations and investing activities along with operating reserves established for future replacement of assets.

Classification of Revenues and Expenses

The Recreation Center has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating revenue includes activities that have the characteristics of exchange transactions, such as service and activity fees charged to students, staff, faculty, and alumni membership fees, and instructional course fees. Operating expenses are those costs incurred in daily operations, such as salaries, utilities, and depreciation.

Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as investment and gift income. Non-operating expenses include costs related to financing or investing activities such as interest on indebtedness.

Student Recreation Center Fee, net of mandatory transfer.

Per Revised Code of Washington Section 28B.15.820, WWU is required to transfer a minimum of 3.5% of revenues collected from tuition and services and activities fees into an institutional financial aid fund. The revenue shown on these statements is net of the 3.5% transfer.

This fund is only to be used to fund short- or long-term loans and grants to students in need. Service and activity fee revenue is reported net of this transfer.

Bond Premiums

Bond premiums are deferred and amortized over the term of the bonds using the effective interest method. The remaining balances of bond premiums are presented as an increase of the face amount of bonds payable.

Administrative Assessment

WWU provides support to the Recreation Center through cash and bond debt management, accounting, purchasing and disbursing services, risk management, human resources and other support services. The effects of these transactions are included as operating expenditures in these financial statements. The amount paid was

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

\$261,731 and \$213,215 for years ended June 30, 2022, and 2021, respectively, and is based on 5.775% of revenues.

Tax Exemptions

WWU, and the Recreation Center as an auxiliary enterprise, is a tax-exempt instrumentality of the State of Washington under Section 115(a) of the Internal Revenue Code and is exempt from federal taxes on related income.

Estimates

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

NOTE 2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

The Recreation Center's operating cash is part of WWU's internal investment pool. The pool is invested in demand deposits, time certificates of deposit, the Washington State Local Government Investment Pool (LGIP), corporate notes, commercial paper and U.S. Treasury and Agency securities. Bank balances (including time certificates of deposit) are insured by the Federal Deposit Insurance Corporation (FDIC) or by a collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by the GASBS 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

Credit (Quality) Risk

Credit risk is the risk that an issuer or other counterparty will not fulfill its obligations. Per Statute and policy, minimum ratings for all other investments by Standard & Poor's/Moody's respectively are as follows: corporate notes, A-/A3; commercial paper, A1+/P1; municipals, A-/A3; supranationals, AA-/AaA3; and US Treasury and Agency securities, AA+/Aaa.

WWU manages its exposure to fair value losses in the internal investment pool by targeting the portfolio duration to 2.25 years and limiting the weighted average maturity to a maximum of three years. WWU generally does not invest operating funds in securities maturing more than five years from the date of purchase.

Fair Value Measurement and Application

Fair value measurement and application establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

The three levels of the fair value hierarchy are described as follows:

- Level 1 - Unadjusted quoted prices available in active markets for identical assets or liabilities;
- Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities;
- Level 3 - Unobservable inputs that are significant to the fair value measurement.

The Recreation Center's investment in WWU's pool includes \$3,277,348 restricted for renewals and replacements.

Fair Value Measurements as of June 30, 2022 using:						
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total	Weighted Average Maturity (in years)	
Cash and Cash Equivalents	\$1,152,590	\$ -	\$ -	\$1,152,590	0.003	
Investments						
Corporate	86,407	-	-	86,407	1.582	
Certificates of deposit	47,562	-	-	47,562	1.541	
Municipals	28,807			28,807	2.751	
SupraNationals	17,381			17,381	1.647	
U.S. Treasuries	-	787,808	-	787,808	2.485	
U.S. Agencies	-	100,275	-	100,275	1.793	
	<u>\$1,332,747</u>	<u>\$ 888,083</u>	<u>\$ -</u>	<u>\$2,220,830</u>		

Fair Value Measurements as of June 30, 2021 using:						
	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total	Weighted Average Maturity (in years)	
Cash and Cash Equivalents	\$1,606,998	\$ -	\$ -	\$1,606,998	0.003	
Investments						
Corporate	520,261			520,261	1.329	
Certificates of deposit	240,762	-	-	240,762	1.303	
Municipals	31,261			31,261	2.422	
SupraNationals	95,112			95,112	2.647	
U.S. Treasuries	-	473,400	-	473,400	2.711	
U.S. Agencies	-	1,795,697	-	1,795,697	0.986	
	<u>\$2,494,394</u>	<u>\$ 2,269,097</u>	<u>\$ -</u>	<u>\$4,763,491</u>		

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 3. CAPITAL ASSETS, NET

The depreciation expense for the years ended June 30, 2022, and 2021 was \$952,830 and \$968,933, respectively.

Following are the changes in capital assets for the years ended June 30, 2022, and 2021:

	June 30, 2021	Additions	Reductions	June 30, 2022
Depreciable				
Building	\$27,947,761	\$ -	\$ -	\$ 27,947,761
Equipment	453,608	-	-	453,608
Improvements	3,357,078	-	-	3,357,078
	<u>31,758,447</u>	<u>-</u>	<u>-</u>	<u>31,758,447</u>
Less accumulated depreciation	(14,378,423)	(952,830)	-	(15,331,253)
Capital assets, net	<u>\$17,380,024</u>	<u>(\$952,830)</u>	<u>\$ -</u>	<u>\$ 16,427,194</u>

	June 30, 2020	Additions	Reductions	June 30, 2021
Depreciable				
Building	\$27,947,761	\$ -	\$ -	\$ 27,947,761
Equipment	453,608	-	-	453,608
Improvements	3,357,078	-	-	3,357,078
	<u>31,758,447</u>	<u>-</u>	<u>-</u>	<u>31,758,447</u>
Less accumulated depreciation	(13,409,490)	(968,933)	-	(14,378,423)
Capital assets, net	<u>\$18,348,957</u>	<u>\$ (968,933)</u>	<u>\$ -</u>	<u>\$ 17,380,024</u>

NOTE 4. NON-CURRENT LIABILITIES

The Recreation Center issued \$15,950,000 in Revenue and Refunding Bonds, Series 2012, on February 1, 2022. The bonds bear interest rates of 4.0% and mature annually until 2037. The bonds have an aggregate face amount of \$15,950,000 and \$18,985,000 as of June 30, 2022, and 2021, which is reported net of the unamortized original issue premium of \$2,507,480 and \$200,058, respectively.

Current Refunding

On February 1, 2022, the Recreation Center issued \$15,950,000 in Series 2022 revenue and refunding bonds to refund and restructure all or a portion of the debt service that will be due and payable with respect to outstanding Series 2012 bonds with a par amount of \$18,985,000 and 4% interest rate. The Series 2022 bonds will have a gross debt service savings of \$2,943,687 and an economic gain of \$2,553,456.

WADE KING STUDENT RECREATION CENTER
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Aggregate maturities or payments required for principal and interest under bond obligations for each of the succeeding five fiscal years and thereafter are as follows:

	Principal	Interest	Payment
2023	795,000	638,000	1,433,000
2024	825,000	606,200	1,431,200
2025	865,000	573,200	1,438,200
2026	900,000	538,600	1,438,600
2027	935,000	502,600	1,437,600
2028-2032	5,255,000	1,921,600	7,176,600
2033-2037	6,375,000	784,600	7,159,600
	<u>15,950,000</u>	<u>5,564,800</u>	<u>21,514,800</u>
Plus unamortized premium	2,507,480		
Total	<u>\$18,457,480</u>	<u>\$5,564,800</u>	<u>\$21,514,800</u>

Following are the changes in liabilities:

	Beginning Bal 6/30/2021	Additions/ Amortizations	Decreases/ Retirements	Ending Balance 6/30/2022	Current Portion
Non-current Liabilities					
BONDS PAYABLE:					
Series 2012 Revenue Refunding Bonds, net of unamortized original issue premium of \$200,058 at June 30, 2021	\$19,185,058	(\$19,742)	\$(19,165,316)	\$ -	
Series 2022 Revenue Refunding Bonds, net of unamortized original issue premium of \$2,430,265 at June 30, 2022	-	\$18,457,480		\$18,457,480	\$795,000
Compensated Absences	188,723	24,148	-	212,871	
Net Pension Liability	142,674		(51,719)	90,955	
OPEB Liability	619,662	48,909	-	668,571	11,187
Total Non-current Liabilities	<u>\$20,136,117</u>	<u>\$18,510,796</u>	<u>(\$19,217,035)</u>	<u>\$19,429,878</u>	<u>\$806,187</u>

	Beginning Bal 6/30/2020	Additions/ Amortizations	Decreases/ Retirements	Ending Balance 6/30/2021	Current Portion
Non-current Liabilities					
BONDS PAYABLE:					
Series 2012 Revenue Refunding Bonds, net of unamortized original issue premium of \$200,058 and \$222,367 at June 30, 2021 and 2020 respectively.	\$20,052,367	(\$22,309)	(\$845,000)	\$19,185,058	\$870,000
Compensated Absences	135,797	52,926	-	188,723	
Net Pension Liability	256,015		(113,341)	142,674	
OPEB Liability	703,048	-	(71,263)	619,662	11,095
Total Non-current Liabilities	<u>\$21,147,227</u>	<u>\$30,617</u>	<u>(\$1,029,604)</u>	<u>\$20,136,117</u>	<u>\$881,095</u>

In accordance with resolutions of the Board of Trustees, WWU sold the Recreation Center Bonds to investors who have a first lien on and are to be paid solely from the gross revenue from the operation of the Recreation Center.

The amounts and limitations of this pledge are set forth in the resolutions of the Board of Trustees. The bond covenants require that the Recreation Center transfer monies each year to an account held as restricted net position for renewals and replacements of the facilities.

NOTE 5. PENSION PLAN

WWU offers four contributory pension plans: 1) the Washington State Public Employees' Retirement System (PERS) plans, 2) the Washington State Teachers Retirement System (TRS) plans, 3) the Law Enforcement Officers' and Firefighters' Retirement System (LEOFF) plan and 4) the Western Washington University Retirement plan (WWURP).

Recreation Center employees in eligible positions are participants in PERS and WWURP plans. PERS is a cost sharing multiple employer defined benefit pension plans administered by the State of Washington Department of Retirement Systems (DRS). WWURP is a single employer defined contribution plan with a supplemental defined benefit plan component currently administered by WWU.

Legislation signed into law on July 1, 2020, amended the RCW applicable to the WWUSRP to define plan provisions including limits on member eligibility, benefit payments, vesting terms and contribution rates. As a result of these amendments, WWU is unable to modify the terms of the plan. Administration of the benefit calculations and payments remain the responsibility of WWU until the state's Pension Funding Council determines the trust has sufficient assets, at which time the DRS will assume those duties in accordance with RCW 41.50.280. WWU does not perform the duties of a board or hold any of the substantive powers that would make the plan a fiduciary component of WWU. Other agencies of the state of Washington perform the duties of a board and hold the substantive powers in relation to the WWUSRP.

The Recreation Center's proportionate share of WWU's share of the total net unfunded liabilities associated with the defined-benefit pension plans administered by the DRS was \$27,035 as of June 30, 2022 and \$112,912 as of June 30, 2021. The liability associated with the defined-benefit pension plan administered by WWU was \$63,921 as of June 30, 2022 and \$29,762 as of June 30, 2021. The total pension expense recorded by the Recreation Center related to both the DRS and University plans was \$(70,725) and \$(8,003) for the years ended June 30, 2022, and 2021, respectively.

PLANS ADMINISTERED BY DRS

PLAN DESCRIPTION:

Public Employees' Retirement System

PERS retirement benefit provisions are contained in chapters 41.34 and 41.40 of the Revised Code of Washington (RCW). PERS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered a single defined benefit plan

for reporting purposes. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. PERS members include higher education employees not participating in other higher education retirement programs.

Teachers' Retirement System

TRS retirement benefit provisions are contained in chapters 41.32 and 41.34 of the Revised Code of Washington (RCW). TRS is a cost-sharing, multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a combination defined benefit/defined contribution plan. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members. TRS eligibility for membership requires service as a certificated public-school employee working in an instructional, administrative or supervisory capacity.

VESTING AND BENEFITS PROVIDED:

PERS Plan 1 and TRS Plan 1

PERS Plan 1 and TRS Plan 1 provide retirement, disability, and death benefits to eligible members. Both plans are closed to new entrants. All members are vested after the completion of five years of eligible service. The monthly benefit is 2.0% of the average final compensation (AFC) for each year of service credit, up to a maximum of 60.0%. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two.

Members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. Members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3% annually. To offset the cost of this annual adjustment, the benefit is reduced. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

PERS Plan 2/3 and TRS Plan 2/3

PERS 2/3 and TRS Plan 2/3 provide retirement, disability and death benefits. PERS Plan 2 and TRS Plan 2 members are vested after completing five years of eligible service. PERS Plan 3 and TRS Plan 3 members are vested in the defined benefit portion of their plan after 10 years of service; or after five years of service, if 12 months of that service are earned after age 44. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Defined Retirement benefits are determined as 2.0% of the member's AFC times the member's years of service for Plan 2 and 1.0% of the AFC times the member's years of service for Plan 3. The AFC is the average of the member's 60 highest paid consecutive months. There is no cap on years of service credit.

Members are eligible for normal retirement at the age of 65 with five years of service. Members have the option to retire early with reduced benefits. Members may elect to receive an optional cost of living allowance (COLA) amount based on the Consumer Price Index, capped at 3% annually. Other benefits include duty and nonduty disability payments and a one-time duty-related death benefit, if the member is found eligible by the Washington State Department of Labor and Industries.

FIDUCIARY NET POSITION:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all plans and additions to/deductions from all plans fiduciary net position have been determined in all material respects on the same basis as they are reported by the plans. These pension plans administered by the state are accounted for using the accrual basis of accounting. Under the accrual basis of accounting, employee and employer contributions are recognized in the period in which employee services are performed; investment gains and losses are recognized as incurred; and benefits and refunds are recognized when due and payable in accordance with the terms of the applicable plan.

The Washington State Investment Board (WSIB) has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

Retirement funds are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB- adopted investment policies for the various asset classes in which the WSIB invests. Although some assets of the plans are commingled for investment purposes, each plan's assets may be used only for the payment of benefits to the members of that plan in accordance with the terms of the plan.

Administration of the PERS, and TRS systems and plans was funded by an employer rate of 0.18% of employee salaries.

The DRS prepares a stand-alone financial report that is compliant with the requirements of Statement 67 of the Governmental Accounting Standards Board. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380 or online at <https://www.drs.wa.gov/2021-annual-report-newsfeed/>.

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on the University's auxiliary units. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on the Recreation Center's financial statements.

The total pension liability for each of the plans was determined using the most recent actuarial valuation completed by the Washington State Office of the State Actuary (OSA). WWU's 2022 pension liability is based on the OSA valuation performed as of June 30, 2021, with a valuation date of June 30, 2020. Besides the discount rate, the actuarial assumptions used in the valuation are summarized in the Actuarial Section of DRS' Annual Comprehensive Financial Report located on the DRS employer-resource GASB webpage. These assumptions reflect the results of OSA's 2013-2018 Demographic Experience Study Report and the 2019 Economic Experience Study. The following actuarial assumptions have been applied to all prior periods included in the measurement:

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- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary Increases:** salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.40%

Mortality rates were developed using the Society of Actuaries’ Pub.H-2010 mortality rates as the base table. OSA applied age offsets, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout the member’s lifetime.

OSA selected a 7.40% long-term expected rate of return on pension plan investments using a building block method. In selecting this assumption, OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMAs) and simulated expected investment returns the WSIB provided.

The CMAs contain three pieces of information for each class of assets WSIB currently invests in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

The WSIB uses the CMAs and their target asset allocation to simulate future investment returns at various future times.

The best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>2022 - Measurement date 2021</u>		
Asset Class	Target Allocation	Long-Term Expected Rate of Return
Fixed Income	20%	2.20%
Tangible Assets	7%	5.10%
Real Estate	18%	5.80%
Global Equity	32%	6.30%
Private Equity	23%	9.30%
Total	100%	

The inflation component used to create the table is 2.20% and represents the WSIB’s most recent long-term estimate of broad economic inflation.

DISCOUNT RATE:

The discount rate used to measure the total pension liabilities was 7.40%, the same as the prior measurement date. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan’s fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.40% long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. Consistent with the long-term expected rate of return, a 7.40% future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue to be made at contractually required rates (including PERS Plan 2/3 and TRS 2/3 employers whose rates include a component for the PERS Plan 1 and TRS Plan 1 unfunded actuarial accrued liabilities). Based on those assumptions, the various pension plan’s fiduciary net positions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40% on pension plan investments was applied to determine the total pension liability for each plan.

SENSITIVITY OF THE NET PENSION LIABILITY/(ASSET) TO CHANGES IN THE DISCOUNT RATE:

The following table presents the Recreation Center’s net pension liability/(asset) position by plan calculated using the discount rate of 7.40%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1.0% point lower (6.40%) or 1.0% point higher (8.40%) than the current rate.

Discount Rate Sensitivity - Net Pension Liability (Asset)					
(\$ in thousands)					
2022					
Current					
	1% Decrease		Discount Rate		1% Increase
Plan	6.4%		7.4%		8.4%
PERS 1	\$ 46	\$	27	\$	10
PERS 2/3	(81)		(284)		(450)

EMPLOYER CONTRIBUTION RATES:

Employer contribution rates are developed in accordance with Chapter 41.45 of the RCW by the OSA. The statute provides authority to the Pension Funding Council to adopt changes to economic assumptions and contribution rates.

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Required Contribution Rates

The required contribution rates expressed as a percentage of current year covered payroll are shown below. The University and the employees made the required contributions.

	Contribution Rates					
	7/1/2020 thru 8/31/2020		9/1/2020 thru 6/30/2021		7/1/2021 thru 6/30/2022	
	Employee	University	Employee	University	Employee	University
PERS						
Plan 2	7.90%	12.86%	7.90%	12.97%	6.36%	10.25%
Plan 3	5.00-15.00% **	12.86% *	5.00-15.00% **	12.97% *	5.00-15.00% **	10.25% *

PERS 2/3 employer rates include a component to address the PERS Plan 1 unfunded actuarial accrued liability (UAAL)

*Plan 3 defined benefit portion only.

**Variable from 5% to 15% based on rate selected by the member.

University contribution rate includes an administrative expense rate of 0.0018.

The University's required contributions for the years ending June 30 are as follows:

	Required Contributions	
	FY 2021	FY 2022
PERS		
Plan 2	\$ 32,449	\$ 26,115
Plan 3	11,637	9,318

RECREATION CENTER PROPORTIONATE SHARE AND AGGREGATED BALANCES:

Collective pension amounts are determined as of a measurement date, which can be no earlier than an employer's prior fiscal year. The measurement date for the net pension liabilities recorded by the Recreation Center as of June 30, 2022, and 2021 was June 30, 2021, and 2020 (one year in arrears.) Employer contributions received and processed by the DRS during the measurement date fiscal year have been used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in their fiscal year ended June 30 Schedules of Employer and Non-employer Allocations. The Recreation Center's proportional share of WWU's share from DRS of the aggregated balance of net pension liabilities as of June 30, 2022, and June 30, 2021, is presented in the table below.

Proportionate Share of WWU's share	PERS 1	PERS 2/3
2022	0.7504%	0.7522%
2021	0.7208%	0.7322%

Aggregate Pension Amounts

	PERS 1	PERS 2/3	Total
Net Pension Liability (Asset) June 30, 2022	\$ 27,035	\$ (283,509)	\$ (256,474)
Net Pension Liability June 30, 2021	\$ 76,812	\$ 36,100	\$ 112,913

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NOTES TO THE FINANCIAL STATEMENTS

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PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES:

The tables below summarize the Recreation Center's expense, deferred outflows of resources and deferred inflows of resources related to the DRS pension plans, together with the related future year impacts to pension expense from amortization of those deferred amounts. Note that deferred outflows of resources related to the Recreation Center's contributions, subsequent to the measurement date, are recognized as a reduction of the net pension liability in the following year and are not amortized to pension expense.

Proportionate Share of Pension Expense (Income)

	PERS 1	PERS 2/3	Total
Year Ended June 30, 2022	\$ (3,713)	\$ (62,649)	\$ (66,362)
Year Ended June 30, 2021	\$ 10,286	\$ 8,873	\$ 19,160

Amounts reported as deferred outflows of resources, exclusive of contributions subsequent to the measurement date, and deferred inflows of resources will be recognized in pension expense in future periods as follows:

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Deferred Outflows of Resources

2022	PERS 1	PERS 2/3	Total
Difference between expected and actual experience	\$ -	\$ 13,770	\$ 13,770
Changes of assumptions	-	414	414
Change in proportion	-	1,021	1,021
Contributions subsequent to the measurement date	13,051	22,382	35,433
TOTAL	\$ 13,051	\$ 37,587	\$ 50,638

Deferred Inflows of Resources

2022	PERS 1	PERS 2/3	Total
Difference between expected and actual experience	\$ -	\$ 3,476	\$ 3,476
Changes of assumptions	-	20,134	20,134
Net difference between projected and actual earnings on pension plan investments	30,000	236,947	266,948
Change in proportion	-	2,066	2,066
TOTAL	\$ 30,000	\$ 262,623	\$ 292,623

Amortization of Deferred Outflows and Deferred Inflows of Resources

YEAR	PERS 1	PERS 2/3	Total
2023	\$ (7,947)	\$ (65,255)	\$ (73,202)
2024	(7,282)	(60,997)	(68,280)
2025	(6,886)	(58,041)	(64,927)
2026	(7,885)	(62,463)	(70,348)
2027	-	(754)	(754)
Thereafter	-	92	92
TOTAL	\$ (30,000)	\$ (247,418)	\$ (277,418)

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Deferred Outflows of Resources					
2021	PERS 1		PERS 2/3		Total
Difference between expected and actual experience	\$	-	\$	13,770	\$ 13,770
Changes of assumptions		-		414	414
Change in proportion		-		1,228	1,228
Contributions subsequent to the measurement date		16,491		27,594	44,085
TOTAL	\$	16,491	\$	43,006	\$ 59,497

Deferred Inflows of Resources					
2021	PERS 1		PERS 2/3		Total
Difference between expected and actual experience	\$	-	\$	3,476	\$ 3,476
Changes of assumptions		-		20,134	20,134
Net difference between projected and actual earnings on pension plan investments		30,000		236,947	266,948
Change in proportion		-		1,702	1,702
TOTAL	\$	30,000	\$	262,258	\$ 292,259

PLANS ADMINISTERED BY WESTERN WASHINGTON UNIVERSITY

Western Washington University Retirement Plan (WWURP)

PLAN DESCRIPTION:

The WWURP is a defined contribution single employer pension plan with a supplemental payment when required. The plan covers faculty, professional staff, and certain other employees. It is administered by WWU. WWU's Board of Trustees is authorized to establish and amend benefit provisions.

Contributions to the plan are invested in annuity contracts or mutual fund accounts offered by one or more fund sponsors. Benefits from fund sponsors are available upon separation or retirement at the member's option. Employees, at all times, have a 100% vested interest in their accumulations. Because the Higher Ed SRP Valuation report is only prepared every other year the number of participants in the WWURP as of June 30, 2022, and 2021 remained the same for reporting purposes at 1,154.

FUNDING POLICY:

Employee contribution rates, which are based on age, range from 5% to 10% of salary. WWU matches 100% of the employee contributions. All required employer and employee contributions have been made and the breakdown of the Recreation Center's proportional share of the WWURP contributions are included in the table below for the years ended June 30.

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Rec Center	2022	2021
Contributions made by:		
Employees	\$ 42,552	\$ 38,574
University	42,467	38,566

Western Washington University Supplemental Retirement Plan (WWUSRP)

PLAN DESCRIPTION:

WWUSRP, the supplemental component of the WWURP plan, is a defined benefit plan currently administered by WWU and operates in tandem with the WWURP defined contribution pension plan to supplement the expected defined-contribution retirement savings accumulated under the WWURP. The plan covers faculty and certain other positions. The WWUSRP, the supplemental component of the WWURP, was closed to new entrants as of July 1, 2011. For purposes of measuring the June 30, 2021 net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the WWUSRP and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported in the state of Washington’s Annual Comprehensive Financial Report, which is available at <https://ofm.wa.gov/accounting/financial-audit-reports/annual-comprehensive-financial-report>. The Office of the State Actuary prepared internal SRP GASB67/68 values by entity and delivered these values to each entity for reporting the June 30, 2022, balances as no external annual comprehensive report were issued this year.

PLAN MEMBERSHIP:

Membership of the Western Washington University Supplemental Retirement Plan consisted of the following at June 30, 2020, and June 30, 2022, the date of the latest actuarial valuation for the plan:

	Number of Participating Members			
	Inactive Members (Or Beneficiaries) Currently Receiving Benefits	Inactive Members Entitled To But Not Yet Receiving Benefits	Active Members	Total Members
2022*	79	3	483	565
2020	79	3	483	565

* same as prior year utilizing the 2021 SRP Actuarial Valuation Report

The 2020 census data were used for actuarial valuations that were used to project the Total Pension Liability to the measurement date of June 30, 2022, and 2021, respectively.

VESTING AND BENEFITS PROVIDED:

This supplemental component payment plan determines a minimum retirement benefit goal based upon a one-time calculation at each employee's retirement date. This supplemental component is financed on a pay-as-you-go basis. WWU makes direct payments to qualified retirees when the retirement benefit provided by the fund sponsor does not meet the benefit goal.

WWSRP retirement benefits provisions are contained in RCW 28B.10.400, et. seq. which assigns the authority to establish and amend benefit provisions to the Western Washington University Board of Regents. Members are eligible to receive benefits under this plan at age 62 with 10 years of credited service. The monthly amount of benefits payable at the time of retirement is the excess of one-twelfth of 2.0% of the member's average annual salary multiplied by the number of years of service (such product not to exceed one-twelfth of 50.0% of the member's average annual salary) over an assumed annuity benefit.

Assumed income must be calculated by an independent actuary and represents a theoretical amount of monthly income that would have been generated if actual employee and WWU contributions to the WWURP had been allocated equally between fixed and variable dollar annuities. When the goal income exceeds the assumed income, the participant is entitled to benefits under this plan. The Recreation Center's proportional share of the total University benefit payments made during the fiscal years ended June 30, 2022, and 2021 were \$2,789 and \$2,365, respectively.

FIDUCIARY NET POSITION:

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in FY 2021.

The plan Fiduciary Net Position is the fair value of plan assets held in a trust as defined by GASB. The Net Pension Liability is the difference between the Total Pension Liability and the plan Fiduciary Net Position. The plan Fiduciary Net Position represents the amount of assets collected as of the measurement date to pay for SRP benefits, per RCW 41.50.280. Plan assets and investments are measured at their fair value.

The WSIB has been authorized by statute as having investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk.

WWUSR plan assets are invested in the Commingled Trust Fund (CTF). Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate, and tangible assets. Investment decisions are made within the framework of a Strategic Asset Allocation Policy and a series of written WSIB-adopted investment policies for the various asset classes in which WSIB invests.

Information about the investment of pension funds by the WSIB, their valuation, classifications, concentrations, and maturities can be found in footnote 3.B of the state of Washington's Annual Comprehensive Financial Report.

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on the University's auxiliary units. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on the Recreation Center's financial statements.

The total pension liability was determined by an actuarial valuation as of June 30, 2020, with the results projected forward to the June 30, 2021, measurement date using the following actuarial assumptions:

- Discount Rate: 7.00%
- TIAA Increase Rate: 3.98%
- CREF Increase Rate: (16.99)%
- Salary Growth: 3.75%

Mortality rates were developed using the Society of Actuaries' Pub.H-2010 mortality rates as the base table. OSA applied age offsets, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout the member's lifetime.

The total salary growth assumption is based on the August 2021 Higher Education SRP Experience study. The TIAA and CREF increase rates represent the assumed investment return on primary investments that play a key role in the SRP benefit calculation.

OSA updated assumptions consistent with the 2021 Demographic Experience Study and modified the TIAA CREF investment assumptions based on TIAA input and OSA's expectation for the future. This includes future growth in the investment's and how the projected account balances are converted to annuities.

The discount rate can be thought of as an assumed return on assets, with a lower discount rate leading to a higher total pension liability (TPL). The discount rate reflects our office's long-term rate of return assumption for assets invested in the Commingled Trust Fund, which decreased from 7.40% to 7.00%. The impact of this change is captured as part of the "Changes in assumptions" line of the TPL table. TIAA and CREF are investments used in the assumed income calculation. The big takeaway here is the FY 2022 CREF stock account return of (16.99%) was significantly lower than our assumption of 6.25%. CREF investment returns that are lower than expected lead to lower assumed income, which means more expected supplemental plan benefits for current actives and an increase in the TPL. The impact of this change is captured in the "Differences between expected and actual experience" line of the TPL table.

SENSITIVITY OF THE NET PENSION LIABILITY/(ASSET) TO CHANGES IN THE DISCOUNT RATE:

The following presents the Recreation Center's proportional share of the pension liability for the WWUSRP for WWU as an employer, calculated using the discount rate of 7.0%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1.0% point lower (6.0%) or 1.0% point higher (8.0%) than the current rate.

Rec Center WWUSRP

Discount Rate Sensitivity - Net Pension Liability/(Asset)

\$ in thousands

Plan	2022		
	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
WWUSRP	\$ 74	\$ 64	\$ 56

EMPLOYER CONTRIBUTION RATES:

With the passing of 2SHB 1661, the legislation, effective July 1, 2020, created trust accounts for the contributions and investment returns collected to pre-fund SRP benefits. Under this new funding structure, the SRP will report under GASB No. 67/68 starting in Fiscal Year 2021. 2SHB 1661 outlines a funding policy for the SRP. Beginning July 1, 2020, the 0.5% required employer contribution rate was replaced with institution-specific contribution rates. These rates are developed by the OSA in accordance with RCW 41.45, which provides authority to the Pension Funding Council to adopt changes to economic assumptions and contribution rates. Money in the trust must be accounted for separately and attributed to each paying institution and may only be used to make benefit payments to the paying institution’s plan beneficiaries. Beginning July 31, 2020, the Pension Funding Council may review and revise the institution-specific contribution rates. Rates must be designed to keep the total cost at a more level percentage than a pay-as-you-go method. Accumulated funds will allow a portion of the cost of SRP benefits to be paid from those funds beginning in approximately 2035. When the trust has collected sufficient assets to begin making SRP benefit payments, administration of the SRP will transfer to the Department of Retirement Systems (DRS).

WWUSRP	2022	2021
Employer required contribution rate	0.21%	0.21%

The SRP benefit funds are currently restricted from paying SRP benefits and are not expected to pay benefits until 2035. Until this time, SRP benefits are paid out of the operating budget on a pay-as-you-go basis.

NET PENSION LIABILITY (NPL):

Consistent with GASB No. 67/68, plan assets are included in financial reporting. The June 30, 2021, asset amount offsets the total pension liability to yield the plan’s net pension liability.

Effective July 1, 2020, legislation signed into law created a trust arrangement for assets dedicated to paying WWUSRP benefits to plan members. Contributions previously paid to and accumulated by DRS beginning January 1, 2012, were transferred into the trust when this legislation became effective. As a result, WWU is now applying accounting guidance for single employer plans that have trusted assets and reports the pension liability net of plan assets as of June 30, 2021.

**WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2022 and 2021

The components of the WWUSRP liability were as follows:

Rec Center Proportional Share

Schedule of Changes in Net Pension Liability (NPL)

	TPL (a)	Plan Fiduciary Net Position (b)	NPL (a) minus (b)
Balance as of July 1, 2020	\$ 153,173	\$ 16,832	\$ 136,341
Service Cost	4,157	-	4,157
Interest on TPL	3,598	-	3,598
Differences Between Expected and Actual Experience	(67,860)	-	(67,860)
Change in Assumptions	(37,244)	-	(37,244)
Employer Contributions	-	884	(884)
Investment Income	-	5,979	(5,979)
Benefit Payments	(2,367)	-	(2,367)
Net Changes	(99,716)	6,863	(106,579)
Balance as of June 30, 2021	\$ 53,457	\$ 23,695	\$ 29,762
Service Cost	1,108	-	1,108
Interest on TPL	4,670	-	4,670
Differences Between Expected and Actual Experience	25,028	-	25,028
Change in Assumptions	7,247	-	7,247
Employer Contributions	-	1,075	(1,075)
Investment Income	-	29	(29)
Benefit Payments	(2,792)	-	(2,792)
Net Changes	35,263	1,104	34,159
Balance as of June 30, 2022	\$ 88,720	\$ 24,799	\$ 63,921

The June 30, 2022, and 2021 TPL is based on an actuarial valuation performed as of June 30, 2020, with update procedures performed by the OSA to roll forward the TPL to the measurement date. The June 30, 2020, TPL is based on an actuarial valuation performed as of June 30, 2018, with update procedures performed to roll forward the TPL to the measurement date of June 30, 2020. All valuations were prepared using the entry age actuarial cost method.

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES:

The tables below summarize the Recreation Center's proportionate share of the WWUSRP pension expense, deferred outflows of resources and deferred inflows of resources, together with the related future year impacts to pension expense from amortization of those deferred amounts:

Rec Center Proportional Share WWUSRP

Pension Expense (PE)

	2022	2021
Service Cost	\$ 771	\$ 13,618
Interest Cost	3,248	11,787
Amortization of Differences between Expected and Actual Experience	(6,122)	(39,496)
Amortization of Changes of Assumptions	(513)	(5,805)
Expected Earnings on Plan Investments	(1,313)	(4,180)
Amortization of Differences between Projected and Actual Earnings on Plan Investments	(433)	(3,087)
Administrative Expenses	-	-
Other Changes in Fiduciary Net Position	-	-
Pension Expense - Current Year	\$ (4,363)	\$ (27,163)
GASB 68 from GASB 73 reporting change effect	-	(58,033)
Net Pension Expense	\$ (4,363)	\$ (85,196)

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense in future periods as follows:

Rec Center Proportional Share

Deferred Outflows of Resources

	2022		2021
Difference between expected and actual experience	\$ 30,018	\$	11,741
Changes of assumptions	659		23,132
Differences between Projected and Actual Earnings on Plan Investments	1,476		-
TOTAL	\$ 54,257	\$	34,873

Deferred Inflows of Resources

	2022		2021
Difference between expected and actual experience	\$ 55,421	\$	68,306
Changes of assumptions	29,393		35,746
Differences between Projected and Actual Earnings on Plan Investments	2,822		3,762
TOTAL	\$ 84,814	\$	107,814

Amortization of Deferred Outflows and Deferred Inflows of Resources

Year

2023	\$ (8,166)
2024	\$ (4,633)
2025	\$ (4,577)
2026	\$ (9,264)
2027	\$ (5,935)
Thereafter	\$ 2,018
TOTAL	\$ (30,557)

NOTE 6. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

PLAN DESCRIPTION:

Health care and life insurance programs for employees of the State of Washington are administered by the Washington State Health Care Authority (HCA). The HCA calculates the premium amounts each year that are sufficient to fund the State-wide health and life insurance programs on a pay-as-you-go basis. These costs are passed through to individual state agencies based upon active employee headcount; the agencies pay the premiums for active employees to the HCA. The agencies may also charge employees for certain higher cost options elected by the employees.

State of Washington retirees may elect coverage through state health and life insurance plans, for which they pay less than the full cost of the benefits, based on their age and other demographic factors.

The health care premiums for active employees, which are paid by the agency during employees' working careers, subsidize the "underpayments" of the retirees. An additional factor in the OPEB obligation is a payment that is required by the State Legislature to reduce the premiums for retirees covered by Medicare (an "explicit subsidy"). For FY 2022, this amount was \$183 per member to cover retirees eligible for parts A and B of Medicare, per month. This rate will remain the same for calendar year 2023. This is also passed through to State agencies via active employee's rates charged to the agency.

OPEB implicit and explicit subsidies as well as administrative costs are funded by required contributions made by participating employers. State agency contributions are made on behalf of all active, health care eligible employees, regardless of enrollment status. Based on the funding practice, the allocation method used to determine proportionate share is each agency’s percentage of the state’s total active, health care eligible employee headcount. For 2021 and 2020, the total University’s headcount percentage membership in the PEBB plan consisted of the following:

OPEB Plan Participants				
	Active	Retirees	Retirees	Total
FYE	Employees	Receiving Benefits	Not Receiving Benefits	Participants
2020	2066	797	95	2958
2021	2015	778	93	2886

ACTUARIAL ASSUMPTIONS:

Accounting requirements dictate the use of assumptions to best estimate the impact the pension obligations will have on the University’s auxiliary units. The professional judgments used in determining these assumptions are important and can significantly impact the resulting actuarial estimates. Difference between actual results compared to these assumptions could have a significant effect on the Recreation Center’s financial statements.

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement period:

- **Inflation:** 2.75%
- **Salary Increases:** 3.50% including service-based salary increases
- **Health Care Trend Rates:*** Initial rate ranges from 2-11% adjusting to 4.3% in 2075
- **Post-retirement Participation:** 65.00%
- **Spouse Coverage:** 45.00%

Mortality rates were developed using the Society of Actuaries’ Pub.H-2010 mortality rates, which vary by member status. The Office of the State Actuary (OSA) applied age offsets as appropriate to better tailor the mortality rates to the demographics of the plan. OSA applied the long-term MP-2017 generational improvement scale to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year, throughout their lifetime.

The discount rate used to measure the total pension liability was set equal to the Bond Buyer General Obligation 20-Bond Municipal Bond Index. A discount rate of 2.21% was used for the June 30, 2020, measurement date and 2.16% for the June 30, 2021, measurement date.

The following presents the Recreational Center’s proportional share of the total University OPEB liability, calculated using the discount rate of 2.16%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.16%) or 1 percentage point higher (3.16%) than the current rate.

Total OPEB Liability Discount Rate Sensitivity	
1% Decrease	\$823,575
Current Discount Rate - 2.16%	\$679,758
1% Increase	\$567,941

The following represents the total OPEB liability of the Recreation Center calculated using the health care trend rates of 2-11% reaching an ultimate range 4.3%, as well as what the total OPEB liability would be if it were calculated using health care trend rates that are 1 percentage point lower or 1 percentage point higher than the current rate:

Total OPEB Liability Health Care Cost Trend Rate Sensitivity	
1% Decrease	\$548,412
Current Discount Rate - 2-11%	\$679,758
1% Increase	\$857,250

*For additional detail on the health care trend rates, OPEB plan information and actuarial computations please reference the Washington State Annual Comprehensive Financial Report on OFM’s website:
<https://leg.wa.gov/osa/accounting/financial-audit-report/annual-comprehensive-financial-report>
 and the Office of the State Actuary’s website:
<https://leg.wa.gov/osa/additionalservices/Pages/OPEB.aspx>

WADE KING STUDENT RECREATION CENTER
NOTES TO THE FINANCIAL STATEMENTS

June 30, 2022 and 2021

TOTAL OPEB LIABILITY:

As of June 30, 2022, and 2021, components of the proportionate share calculation of total OPEB liability determined in accordance with GASB Statement No. 75 for the Recreation Center are represented in the following table:

FY22 Proportionate Share of WWU's share	0.678240%
FY21 Proportionate Share of WWU's share	0.656878%

Schedule of Changes in Total OPEB Liability

Total OPEB Liability	2022	2021
Service cost	\$33,975	\$26,175
Interest	14,684	21,895
Changes of benefit terms	-	-
Differences between expected & actual experience	0	(3,355)
Changes in assumptions	6,274	14,193
Benefit payments	(11,187)	(10,425)
Change in Proportionate share	(15,257)	(13,575)
Other	-	(22,302)
Net Change in Total OPEB Liability	\$28,489	\$12,606
Total OPEB Liability - Beginning	\$630,757	\$703,048
Change in proportionate share	\$20,512	(\$84,898)
Total OPEB Liability - Ending	\$ 679,758	\$630,757

Recreation Center's proportionate share of OPEB expense for the fiscal years ended June 30, 2022, and 2021 were \$50,939 and \$(94,618) respectively.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES:

The tables below summarize Recreation Center's deferred outflows and inflows of resources related to OPEB, together with the related future year impacts to expense from amortization of those deferred amounts:

Deferred Outflows of Resources

	2022	2021
Change in proportion	\$ 4,927	\$ 6,009
Difference between expected and actual experience	11,628	13,838
Changes of assumptions	43,290	43,373
Transactions subsequent to the measurement date	11,245	11,095
TOTAL	\$ 71,090	\$ 74,314

Deferred Inflows of Resources

	2022	2021
Change in proportion	\$ 29,296	\$ 15,961
Difference between expected and actual experience	\$ 2,631	2,982
Changes of assumptions	123,243	148,759
TOTAL	\$ 155,171	\$ 167,702

Amortization of Deferred Outflows and Deferred Inflows of Resources

Year	
2023	\$ (20,946)
2024	(20,946)
2025	(20,946)
2026	(20,946)
2027	(10,894)
Thereafter	(648)
TOTAL	\$ (95,326)

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REQUIRED SUPPLEMENTARY INFORMATION

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedule of Recreation Center’s Proportionate Share of the Net Pension Liability

Schedule of Recreation Center Proportionate Share of the Net Pension Liability Public Employees' Retirement System (PERS) Plan 1 Measurement Date ended June 30 *								
	2014	2015	2016	2017	2018	2019	2020	2021
Recreation Center PERS 1 employers' proportion of the net pension liability	0.002365%	0.002311%	0.001825%	0.002223%	0.001867%	0.002058%	0.002182%	0.002265%
Recreation Center PERS 1 employers' proportionate share of the net pension liability	\$129,519	\$120,898	\$97,990	\$105,504	\$83,359	\$77,543	\$76,812	\$27,035
Recreation Center PERS 1 employers' covered-employee payroll	\$246,340	\$252,575	\$214,480	\$270,703	\$244,786	\$189,225	\$328,386	\$342,015
Recreation Center PERS 1 employers' proportionate share of the net pension liability as a percentage of its covered-employee payroll	52.58%	50.68%	41.97%	38.97%	34.05%	40.98%	23.39%	7.90%
Plan fiduciary net position as a percentage of the total pension liability	61.19%	59.10%	57.03%	61.24%	63.22%	67.12%	68.64%	88.74%
* As of June 30; this schedule is to be built prospectively until it contains ten years of data.								

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans

Schedule of Recreation Center’s Proportionate Share of the Net Pension Liability/(Asset)

Schedule of Recreation Center Proportionate Share of the Net Pension Liability (Asset) Public Employees' Retirement System (PERS) Plan 2/3 <i>Measurement Date ended June 30 *</i>								
	2014	2015	2016	2017	2018	2019	2020	2021
Recreation Center PERS 2/3 employers' proportion of the net pension liability (asset)	0.003045%	0.002986%	0.002336%	0.002860%	0.002388%	0.002594%	0.002781%	0.002900%
Recreation Center PERS 2/3 employers' proportionate share of the net pension liability (asset)	\$59,589	\$106,676	\$117,616	\$99,372	\$40,768	\$25,299	\$36,100	(\$283,509)
Recreation Center PERS 2/3 employers' covered-employee payroll	\$262,066	\$264,732	\$222,246	\$280,484	\$251,452	\$194,130	\$331,912	\$342,558
Recreation Center PERS 2/3 employers' proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	22.74%	39.08%	52.92%	35.43%	16.21%	13.03%	10.88%	-82.76%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.29%	89.20%	85.82%	90.97%	95.77%	97.77%	97.22%	120.29%
* As of June 30; this schedule is to be built prospectively until it contains ten years of data.								

In accordance with Statement No. 68, WWU has elected to use the prior fiscal year end as the measurement date for reporting net pension liabilities.

PENSION PLAN INFORMATION

Agent Employer Plan

Schedule of Changes in Recreation Center’s Proportionate Share of WWUSRP Total Pension Liability and Related Ratios

Schedule of Changes in WWU's Net Pension Liability and Related Ratios						
WWUSRP - Recreation Center						
Fiscal Year ended June 30*						
<i>(dollars in thousands)</i>						
	2017	2018	2019	2020	2021	2022
WWUSRP total pension liability-Beginning	\$141	\$104	\$95	\$121	\$153	\$54
Service Cost	7	4	2	3	4	1
Interest	5	4	3	4	4	5
Difference between expected and actual experience	(34)	(11)	11	7	(68)	25
Changes in assumptions	(13)	(4)	12	20	(37)	7
Benefits payments **	(2)	(2)	(2)	(2)	(2)	(3)
Net change in total pension liability	(37)	(9)	26	32	(98)	35
WWUSRP total pension liability-Ending	\$104	\$95	\$121	\$153	\$54	\$89
Plan Fiduciary Net Position ***					\$24	\$25
WWUSRP net pension liability-Ending					\$30	\$64
WWU URP employers' covered-employee payroll	\$368	\$397	\$361	\$343	\$358	\$371
WWUSRP total or net pension liability as a percentage of its covered-employee payroll (net as of FY21)	28.30%	23.93%	33.45%	44.72%	8.38%	17.26%
* As of June 30; this schedule is to be built prospectively until it contains ten years of data.						
** Includes amount to resolve OSA rounding issue						
*** Consistent with GASB No. 67/68, plan assets are included in financial reporting beginning in FY 21						

**WADE KING STUDENT RECREATION CENTER
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

**Cost Sharing Employer Plans
Schedule of Contributions**

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 1 Fiscal Year Ended June 30 Recreation Center									
Fiscal Year	Contractually Required Contributions	Contributions related to covered employees Participating in PERS plan 1	UAAL Contributions related to covered payroll of employees Participating in PERS plan 2/3	Total Contributions in relation to the Actuarially Determined Contributions	Contribution deficiency (excess)	Covered payroll of employees participating in PERS 1	Covered payroll of employees participating in PERS 2/3	Total Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2015	\$10,622	\$0	\$10,622	\$10,622	\$0	\$9,882	\$242,693	\$252,575	4.21%
2016	\$10,347	\$0	\$10,347	\$10,347	\$0	\$7,337	\$207,143	\$214,480	4.82%
2017	\$13,375	\$0	\$13,375	\$13,375	\$0	\$7,269	\$263,434	\$270,703	4.94%
2018	\$12,476	\$0	\$12,476	\$12,476	\$0	\$4,202	\$240,585	\$244,786	5.10%
2019	\$14,459	\$0	\$14,459	\$14,459	\$0	\$639	\$188,586	\$189,225	7.64%
2020	\$15,768	\$0	\$15,768	\$15,768	\$0	\$1,641	\$326,745	\$328,386	4.80%
2021	\$16,490	\$0	\$16,490	\$16,490	\$0	\$243	\$341,772	\$342,015	4.82%
2022	\$13,051	\$0	\$13,051	\$13,051	\$0	\$0	\$235,639	\$235,639	5.54%
2023									
2024									

Notes:
This schedule will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Cost Sharing Employer Plans
Schedule of Contributions

Schedule of Contributions Public Employees' Retirement System (PERS) Plan 2/3 Fiscal Year Ended June 30 <i>Recreation Center</i>					
Fiscal Year	Contractually Required Contributions	Contractually Required Contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2015	\$14,515	\$14,515	\$0	\$272,962	5.32%
2016	\$20,992	\$20,992	\$0	\$222,246	9.45%
2017	\$17,965	\$17,965	\$0	\$280,190	6.41%
2018	\$18,863	\$18,863	\$0	\$251,452	7.50%
2019	\$22,002	\$22,002	\$0	\$194,130	11.33%
2020	\$26,003	\$26,003	\$0	\$331,912	7.83%
2021	\$26,960	\$26,960	\$0	\$342,558	7.87%
2022	\$22,269	\$22,269	\$0	\$235,639	9.45%
2023					
2024					

Notes:
This schedule will be built prospectively until they contain ten years of data.

**WADE KING STUDENT RECREATION CENTER
REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2022 and 2021

PENSION PLAN INFORMATION

**Cost Sharing Employer Plans
Schedule of Contributions**

Schedule of Contributions Teachers' Retirement System (TRS) Plan 1 Fiscal Year Ended June 30 <i>Recreation Center</i>									
Fiscal Year	Contractually Required Contributions	Contributions related to covered payroll of employees Participating in TRS plan 1	UAAL Contributions related to covered payroll of employees Participating in TRS plan 2/3	Total Contributions in relation to the Actuarially Determined Contributions	Contribution deficiency (excess)	Covered payroll of employees participating in TRS 1	Covered payroll of employees participating in TRS 2/3	Total Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2015	\$7,806	\$7,806	\$0	\$7,806	\$0	\$23,157	\$116,956	\$140,113	5.57%
2016	\$794	\$794	\$0	\$794	\$0	\$483	\$11,231	\$11,715	6.78%
2017	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
2020	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
2021	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
2022	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
2023									
2024									

Notes:
These schedules will be built prospectively until they contain ten years of data.

PENSION PLAN INFORMATION

Agent Employer Plan
Schedule of Contributions

Schedule of Contributions WWUSR Plan - Recreation Center Fiscal Year Ended June 30						
Fiscal Year	Contractually Required Contributions	Contributions in relation to the			Covered-employee payroll*	Contributions as a percentage of covered-employee payroll
		Contractually Required Contributions	Contribution deficiency (excess)			
2021	\$884	\$884	\$ -	-	\$357,973	0.25%
2022	\$1,075	\$1,075	\$ -	-	\$370,820	0.29%
2023						
2024						
2025						
2026						
2027						
2028						
2029						
2030						

Notes:
These schedules will be built prospectively until they contain ten years of data.

OPEB INFORMATION

Cost Sharing Healthcare Plans

Schedule of Recreation Center's Changes in Total OPEB Liability and Related Ratios

Schedule of Recreation Center Changes in Total OPEB Liability and Related Ratios					
<i>Measurement Date ended June 30 *</i>					
	2018	2019	2020	2021	2022
Total OPEB Liability-Beginning	\$806,291	\$702,251	\$624,096	\$703,048	\$630,757
Service Cost	\$108,031	\$35,054	\$28,467	\$26,175	\$33,975
Interest	\$50,602	\$24,100	\$24,693	\$21,895	\$14,684
Difference between expected and actual experience	\$0	\$21,998	\$0	-\$3,355	\$0
Changes in assumptions	-\$246,839	-\$153,463	\$45,986	\$14,193	\$6,274
Benefits payments	-\$25,788	-\$10,178	-\$11,296	-\$10,425	-\$11,187
Change in proportionate share	\$9,954	\$4,334	-\$8,898	-\$98,473	\$5,256
Other				-\$22,302	
Total OPEB liability-Ending	<u>\$702,251</u>	<u>\$624,096</u>	<u>\$703,048</u>	<u>\$630,757</u>	<u>\$679,758</u>
Recreation Center employers' covered-employee payroll	\$755,074	\$761,413	\$820,918	\$837,427	\$876,412
Recreation Center employers' proportionate share of total OPEB liability as a percentage of its covered-employee payroll	106.78%	92.23%	76.02%	83.95%	71.97%
* As of June 30; this schedule is to be built prospectively until it contains ten years of data.					

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Plans administered by DRS

The Office of the State Actuary (OSA) calculates the actuarially determined contributions (ADC) based on the results of an actuarial valuation consistent with the state's funding policy defined in Chapter 41.45 RCW.

Consistent with the state's contribution-rate adoption process, the results of an actuarial valuation with an odd-numbered year valuation date determine the ADC for the biennium that ensues two years later. For example, the actuarial valuation with a June 30, 2017 valuation date, completed in the Fall of 2018, plus any supplemental contribution rates from the preceding legislative session, determines the ADC for the period beginning July 1, 2019, and ending June 30, 2021.

Additional Considerations on ADC for All Plans: OSA calculates the ADC consistent with the methods described above. Adopted contribution rates could be different pending the actions of the governing bodies.

For cost-sharing plans, OSA calculates the contractually required contributions (CRC) using the same assumptions and methods as the ADC, except that the CRC reflect the adopted contribution rates for the time period shown. These might differ from the contribution rates produced for the ADC.

Plans administered by the University

On July 1, 2020, the state of Washington established a trust for contributions paid by WWU for the benefit of Western Washington University's Supplemental Retirement Plan (WWUSRP) in accordance with Revised Code of Washington 41.50.075. As a result, the applicable accounting guidance for the WWUSRP has changed to GASB codification section P20 "Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specific Criteria." This event gives rise to a change in WWU's estimates of future obligations, deferrals and pension expense related to the WWUSRP. WWU will now report the plan's net pension liability (total pension liability less the plan's fiduciary net position). Prior to this change in estimate WWU reported the plan's total pension liability. In addition, under GASB P20 the discount rate used to value the ending liability has changed to the expected investment return on plan assets. As such, WWU has changed from using the Bond Buyer's 20 Bond Index (2.21% for the FY 2020 liability) to using the expected investment return on plan assets (7.40% for the FY 2021 liability).

Material assumption changes during the FY 2021 measurement period include an increase in the total salary growth rate (3.50% to 3.75%), an increase in the discount rate (2.21% to 7.40%), an increase in the TIAA rate (4.00% to 4.25%), and an increase in the CREF rate (6.25% to 6.50%). Under GASB 67/68, the discount rate is now based on the long-term expected rate of return on pension plan investments, which led to the increase in the discount rate used to measure the Total Pension Liability (7.40%). The Total Pension Liability is now compared against the plan's Fiduciary Net Position to determine the Net Pension Liability.

Material assumption changes during the FY 2020 measurement period include updating the GASB 73 discount rate from 3.50% to 2.21% ("Change in assumption" which increased the TPL). Additionally, the FY 2020 returns for the Teachers Insurance and Annuity Association of America (TIAA) and CREF investments were used to determine a member's assumed income. Those returns were 4.12% for TIAA and 2.31% for CREF. This resulted in an increase in the TPL.

OPEB Plan administered by the Healthcare Authority of Washington State

The OPEB Plan has no assets accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4 to pay related benefits. Material assumption changes during the FY 2020 measurement period relate to a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 3.50% for the June 30, 2019 measurement date, to 2.21% for the June 30, 2020 measurement date. Other material assumption changes included lowering the forecast of future healthcare cost trends. This resulted in an increase in the TOL. Legislation under H.R. 1865 repealed the excise tax after the previous measurement date. The impact of removing trends that include Excise Tax resulted in a decrease in TOL.

***WADE KING STUDENT RECREATION CENTER
REQUIRED SUPPLEMENTARY INFORMATION***

June 30, 2022 and 2021

Material assumption changes during the FY 2019 measurement period relate to a decrease in the Bond Buyer General Obligation 20-Bond Municipal Bond Index, from 3.87% for the June 30, 2018 measurement date, to 3.50% for the June 30, 2019 measurement date.



2021 Annual Security and Fire Safety Report

October 2022

**Bellingham Main Campus
Everett University Center Campus
Anacortes Campus (Shannon Point Marine Science Center)
Bremerton Campus
Port Angeles Campus
Poulsbo Campus (WWU Center at Poulsbo)**

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WWU Information

WWU Home Page: www.wvu.edu

Alcohol/Drug Information: cwc.wvu.edu/sap

Annual Security Report: www.wvu.edu/vpress/annualsafetyreport.shtml

Operating Budget: bfp.wvu.edu/wwu-budget

Campus Safety: www.wvu.edu/vpress/campussafety.shtml

Consultation & Sexual Assault Support: cwc.wvu.edu/survivorservices

Office of Student Life/Dean of Students Office: wp.wvu.edu/officeofstudentlife

Emergency Preparedness: emergency.wvu.edu

Office of Civil Rights and Title IX Compliance: crtc.wvu.edu

Environmental Health & Safety: ehs.wvu.edu

Counseling and Wellness Center: cwc.wvu.edu

Title IX, Sexual Harassment and Sexual Assault: crtc.wvu.edu/compliance/sexual-violence

Together Against Sexual Violence: crtc.wvu.edu/compliance/sexual-violence

University Communications: www.wvu.edu/university-communications

University Police: police.wvu.edu

Vice President for Enrollment & Student Services: vpress.wvu.edu/vice-presidents-office

SAFE Campus Hotline: 360-650-7233

General Information

ABOUT THIS PUBLICATION

The Annual Security and Fire Safety Report is published each fall by the Office of the Vice President for Enrollment and Student Services and the Office of University Communications, in collaboration with University Police, University Residences, the Office of Student Life, Prevention and Wellness Services, the Office of Civil Rights and Title IX Compliance, and Environmental Health and Safety. As part of Western's commitment to maintaining a healthy and safe living, learning and working environment, we want to make you aware of our Annual Security & Fire Safety Report. This report is developed in compliance with the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act (Clery Act) and provides reported crime statistics for the previous three calendar years (2019, 2020 and 2021). The report also includes institutional policies concerning campus security, such as those concerning alcohol and drug use, crime prevention, the reporting of crimes, sexual assault, and other matters. It is available for download at www.wwu.edu/vpess/docs/ASRCleryreport.pdf. To request a paper copy of this report, please contact the Vice President of Enrollment and Student Services Office; (360) 650-3839; vpesa.office@wwu.edu

Each year, an email notice is sent to university students, faculty and staff informing them of the availability of this report. It is also available on the Vice President of Enrollment & Student Services website at www.wwu.edu/vpess/docs/ASRCleryreport.pdf and anyone can obtain a written copy by contacting this office.

YOUR RIGHT TO KNOW: DISCLOSURE OF CONSUMER INFORMATION

Western Washington University is committed to providing full disclosure of all consumer information required by state and federal law to all students, their families and members of the campus community. Additional information may be found at www.wwu.edu/your-right-know-disclosure-consumer-information

EMERGENCY RESPONSE AND EVACUATION PROCEDURES

Western recognizes its responsibility to provide timely information to the campus community during emergencies. In the event of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students, staff or faculty, the university will use every appropriate communication tool to share information with the campus community as quickly as possible. The Western Alert system, described below, uses various notification tools:

- Email messages
- Cell-phone text messages
- Social media messaging
- Voice messages over the campus fire alarm system (building enunciation)
- The Western Washington University home page (www.wwu.edu)
- Digital Information Boards

- The WWU Emergency Communications web site (emergency.wwu.edu)
- Desktop notification

Emergencies may be reported to University Police by dialing 3911 from a campus phone or 360-650-3911 from a non-campus phone or cell phone.

EMERGENCY NOTIFICATIONS

Western Washington University is committed to ensuring the campus community receives timely, accurate and useful information in the event of a significant emergency or dangerous situation involving an immediate threat to the health or safety of students, employee and visitors. Western Washington University will immediately notify the campus community upon confirmation of an emergency or dangerous situation via an emergency notification system, RAVE, that provides Western Alerts. This system is used to send emergency messages within minutes of being initiated. Notifications will be made using RAVE as well as any or all of the following: desktop notification; email messages to WWU accounts; campus building enunciation (where available); social media; WWU homepage; WWU Emergency Communications web site (emergency.wwu.edu); and local media.

When University Police become aware of a potential critical incident or emergency situation, they will confirm whether it is an emergency or dangerous situation that potentially affects the health and/or safety of the campus community. Western's Department of Public Safety is responsible for such confirmation, and may work in conjunction with Western administrators, local first responders, public health agencies, and/or the National Weather Service as they confirm.

Upon confirmation, Western will, without delay, and taking into account the safety of the community, determine the content of the notification and initiate the notification system, unless issuing a notification will, in the professional judgement of Responsible University Authorities, compromise efforts to assist a victim or to contain, respond to or otherwise mitigate the emergency.

The following officials have been designated the authority to authorize emergency notifications/Western Alerts to provide alert, warning and safety or protection instructions:

- Chief of Police
- Assistant Chief of Police
- Any University Police command staff or officer
- Director of University Communications
- Assistant Director of University Communications

These positions will be collectively referred to as "Responsible Authorities" for purposes of the Communication Procedures and Protocols. In reference to any of these positions, in the absence of the referenced individual, their designee will have the authority.

The departments and positions listed in the chart below will typically be responsible for developing the content and distributing the notifications as described.

If the emergency is limited to a particular segment or segments of the campus, the Chief of Police will typically determine the segment or segments of the community to receive the immediate notification.

The content of the message will vary depending on the situation. At a minimum, the messages will describe the emergency, provide basic instructions to the community and will direct them to where they can receive additional information. Follow-up information regarding an incident and/or an “all clear” message (once the incident has been resolved) will be sent to impacted members of the campus community using any or all of the previously mentioned forms of notification.

ENROLLING IN EMERGENCY NOTIFICATION SYSTEMS FOR WESTERN ALERTS

All current students are automatic recipients of Western Alerts. Faculty and staff must “opt in” to receive Western Alert text messages (e-mail alerts will be sent to your official university account automatically). To “opt in” to receive Western Alert text messages, students, faculty, and staff should login to their MyWestern account online at mywestern.wvu.edu and click on “Web4U.” To “opt in” to receive Western Alert text messages, students, faculty, and staff should login to their MyWestern account online at mywestern.wvu.edu and click on “Web4U.” Select “Personal Information,” then “Cell Phone – View/Update.” Enter your cell phone number, and finish by pressing the “Update” button. Text messaging will only be used to communicate with you in two circumstances: during an event deemed an imminent threat to the health and safety to campus and during periodic tests of the Western Alert system.

Parents, relatives and community members also can opt-in to receive Western Alerts at www.getrave.com/login/wvu

TESTING THE WESTERN ALERT EMERGENCY NOTIFICATION SYSTEM

The university tests the Western Alert emergency notification system on at least a biannual basis, to ensure that it is working properly. These tests will be carefully identified and widely publicized. Please be advised that your cell phone service provider may apply a small standard text message fee when you receive an emergency alert. For more information on Western’s emergency preparedness and response procedures, visit emergency.wvu.edu

WWU CRIME NOTICES/ TIMELY WARNINGS

In the event a crime is reported to have occurred within Western’s Clery Geography, that in the judgment of the Chief of Police, and in consultation with Responsible Authorities (when time permits), constitutes a serious or continuing threat to the community, a campus-wide WWU Crime Notices will be issued. The University may issue a WWU Crime Notice for the following: arson; aggravated assault; criminal homicide; domestic violence; dating violence; robbery; burglary; sexual assault; hate crimes; and stalking. The University may also issue a WWU Crime Notice for alcohol, drug, and weapon arrests or referrals that may cause a continuing threat to the community. University Police will distribute these warnings through a variety of ways, including but not limited to emails, posters, web postings, and media.

The purpose of the WWU Crime Notice is to notify the campus community of the incident and to provide information that may enable the community to take steps to protect themselves from similar incidents. The University will issue WWU Crime Notices on a case-by-case basis after considering the following criteria: (1) one of the above listed crimes are reported; (2) the perpetrator has not been apprehended; and (3) there is a substantial risk to the safety of other members of the campus community because of this crime.

WWU Crime Notices are typically written and distributed by the Chief of Police and/or Director of University Communications or their designees. WWU Crime Notices will typically include the following, unless issuing any of this information would risk compromising law enforcement efforts:

- Date and time or timeframe of the incident;
- A brief description of the incident;
- Suspect description(s) when deemed appropriate and if there is sufficient detail (see below);
- Western Washington University Police & Bellingham Police contact information;
- Information that will promote safety and potentially aid in the prevention of similar crimes (crime prevention or safety tips);
- Other information as deemed appropriate by the Chief of Police (or designee in Western's Department of Public Safety).

The description of subjects in a case will only be included in the alert if there is a sufficient amount of detail to describe the individual. If the only known descriptors are sex and race, that will not be included in the alert.

An institution is not required to provide a timely warning with respect to crimes reported to a pastoral or professional counselor. The University may also issue WWU Crime Alert in other circumstances, which may pose a significant threat to the campus community.

Reporting Crimes on Campus

The University Police Department encourages anyone who is the victim of or witness to a crime to promptly report the incident to police. To report a crime or emergency from an on-campus phone or via Teams, dial 3911. To report a crime or emergency from a cell phone or off campus phone, dial 360-650-3911.

When using a cell phone, it is important to remember that 911 does not automatically reach University Police; instead, it goes to a central dispatch location in Bellingham.

All students, faculty, and staff are encouraged to pre-program their cell phone with the University Police emergency number, 360-650-3911. On-campus police dispatchers are available 24 hours a day, 7 days a week.

When calling to report a crime or other emergency, on or off-campus, be prepared to:

- Clearly identify yourself;
- State where you are calling from; and
- Briefly state the nature of your call.

If possible, stay on the line unless the dispatcher tells you that it's okay to hang up. If assistance is required from off campus, the dispatcher will summon appropriate police, fire, and/or medical services.

In cases involving sexual assault, dating or domestic violence, stalking, or sexual harassment, initial contact may be made by calling Western's confidential Survivor Advocacy Services (SAS) voice mail at 360-650-3700. SAS staff works with survivors to access all available resources in an effort to ensure that students continue to be academically successful and have the support necessary to heal from the incident(s).

Resources and support are also available to assist students whose partner, friend or family member has experienced an act of violence.

Emergency blue light call boxes are located throughout the campus, in parking lots and commonly travelled areas. The emergency call boxes are blue and white, and have a blue light glowing above them. Each is connected directly to the University Police dispatcher and coded so the location of the phone is automatically identified.

A map of emergency call box locations is available online at www.wvu.edu/map/ by selecting "emergency phones" under "Features."

For additional information on reporting crimes on campus, contact:

University Police 360-650-3911 (Emergency Dispatch)

360-650-3555 (Non-Emergency)

University.Police@wwu.edu.

police.wvu.edu

For information on reporting crimes at Western's off-campus sites, see page 8 in this document.

<p align="center">Separate Campus 2021</p>	<p align="center">Campus Safety and Security Departments (Report a Crime)</p>
<p>Anacortes Campus WWU at Shannon Point Marine Center 1900 Shannon Point Rd Anacortes, WA 98221</p>	<p>University Police 360-650-3911 (Emergency Dispatch) 360-650-3555 (Non-Emergency) University.Police@wwu.edu police.wwu.edu</p>
<p>Bremerton Campus WWU at Olympic College Bremerton 1600 Chester Ave Bremerton, WA 98337-1699</p>	<p>Campus Security 911 (Emergency) 360-475-7800 (Non-Emergency) SecurityOfficers@olympic.edu www.olympic.edu/services/campus-security</p>
<p>Everett Campus WWU at Everett University Center 915 N Broadway Everett, WA 98201-1390</p>	<p>Campus Safety, Security & Emergency Management 911 (Emergency) 425-388-9990 (Non-Emergency) oasecurity@everettcc.edu www.everettcc.edu/administration/ cwt-security/security</p>
<p>Port Angeles Campus WWU at Peninsula College 1502 E Lauridsen Blvd Port Angeles, WA 98362</p>	<p>Campus Safety and Emergency Management 911 (Emergency) 360-417-6559 (Non-Emergency) 6559 from any campus phone (Non-Emergency) pencol.edu/services/campus-safety</p>
<p>Poulsbo Campus WWU at Olympic College Poulsbo 1000 Olympic College Place, NW Poulsbo, WA 98370-7198</p>	<p>Campus Security 911 (Emergency) 360-475-7800 (Non-Emergency) SecurityOfficers@olympic.edu www.olympic.edu/services/ campus-security</p>

CONFIDENTIAL CRIME REPORTING PROCEDURES

Western encourages community members to report crimes promptly to help ensure a safer campus. If you are the victim of or witness to a crime and you do not want to pursue formal action through the University or police, please consider making a confidential report to University Police. Confidential reports can be made to police by requesting non-disclosure to the public of personally identifying information. Depending on the circumstances of the report, you may be able to maintain confidentiality while taking steps to keep the community safe. Confidential reporting allows the University to keep and share accurate statistics on the number and types of reportable crimes that occur on campus, and to alert the campus community to possible danger. When confidential reports involve possible sexual assault, dating violence, domestic violence or stalking, all details of these reports are made available to the Director of Civil Rights & Title IX Compliance/Title IX Coordinator. The university completes publicly available recordkeeping requirements, including Clery Act reporting and disclosures, without the inclusion of identifying information about the victim(s).

CAMPUS SECURITY AUTHORITIES

While Western encourages all community members to promptly report crimes to police, some may prefer to report to other individuals or offices. Reports filed in this manner are counted and disclosed in the annual crime statistics for the institution. Campus security authorities at Western include the following staff:

University Residences

housing.wvu.edu/

All Supervisor Resident Directors, Assistant Resident Directors, Resident Directors, the Assistant Directors of Residence Life, Manager of Guest/Housing Operations and Director of University Residences

Athletics

www.wvuvikings.com/

All coaches and the Director of Athletics

Campus Recreation Services

www.wvu.edu/campusrec/

Director and Associate Director, and Assistant Director of Sports Clubs

Associated Students Programs

QUEER RESOURCE CENTER: The QRC provides non-judgmental and unbiased programs, a safe space, and resources to both students who identify as queer and their allies. The QRC does this by reaching out and building community among Western students of diverse backgrounds, advocating for and educating about the queer identity through events and programs, creating and affirming positive self-identities, networking with queer clubs, providing peer counseling services, and addressing current issues relevant to the queer community on campus and beyond. as.wvu.edu/sairc/qrc 360-650-6120.

Gender Liberation Resource Center: Supports and enables students who hold marginalized gender identities and expressions to fully and actively participate on WWU's campus. We strive to build a community that promotes: exploration of identities through an intersectional lens; solidarity against violence; and critical thinking around gender, race, culture, and other aspects of identity and social issues. as.wvu.edu/sairc/gender 360-650-6114.

Office of Student Life

wp.wvu.edu/officeofstudentlife

Executive Director – Student Life, Case Manager/Conduct Officer

Viking Union

Executive Director -Student Engagement, Assistant Director and Coordinator of Student Activities, Club Activities Coordinator, and Ethnic Student Center Manager.

Counseling and Wellness Center

cwc.wvu.edu

Violence Prevention Specialists

Disability Access Center

disability.wvu.edu

Director and Disability Access Managers

Public Safety

www.wvu.edu/ps/

Police Chief, Assistant Chief, all Sergeants, Corporals and Officers

More Campus Security Authorities: Vice President of Enrollment and Student Services, Assistant Attorney General(s), Title IX Coordinator, Assistant Director of Civil Rights and Title IX Compliance, Deputy Title IX Coordinator, Manager of Compliance, Title IX/ Civil Rights Investigator.

Please Note: Professional, pastoral counselors, and individuals providing advocacy services for survivors of violence are not required to report crimes disclosed to them when acting in their professional roles; as a result, incidents shared with them may not be included in Western's published crime statistics unless also reported to University Police or to a campus security authority. Counselors are encouraged to inform students they are counseling of the option to report crimes on a voluntary, confidential basis for inclusion in the annual crime statistics.

Campus Safety

The safety and well-being of all members of the campus community is of great concern to Western. Many departments and employees are dedicated to making the campus a safe place to live and work. A safe environment depends on the cooperation and involvement of all students, staff, and faculty in looking out for themselves and for one another. We encourage all members of the Western community to use this report as a guide for safe practices, both on and off campus.

UNIVERSITY POLICE

The Western Washington University Police Department employs 15 officers, all of whom are commissioned by the state of Washington. They receive the same training and are vested with the same powers of law enforcement as city, county, and state police officers.

The University Police Department has primary responsibility for law enforcement on campus. They work closely with federal, state, and local law enforcement agencies, and have mutual-aid agreements in place with the Bellingham Police Department, Whatcom County Sheriff's Office, Washington State Patrol, and the police departments of Central Washington University, Eastern Washington University, The Evergreen State College, Washington State University, and the University of Washington.

University Police officers investigate all crimes reported on campus and enforce all applicable criminal and traffic laws. Persons cited or arrested by University Police have their cases adjudicated in Bellingham Municipal Court, Whatcom County District Court, and/or Whatcom County Superior Court.

University Police officers respond to all on-campus emergencies and provide a variety of public services, including bicycle registration and crime prevention education and assessment (e.g., reviewing building plans to assure campus security). During the academic year, University Police employs an average of 20 Public Safety Assistants (also known as "Green Coats"). These students are trained to assist police by providing services such as dispatching, safety escorts, and vehicle/foot patrols. They also check academic buildings and residence halls for unsecured doors and windows, and report hazardous conditions. Public Safety Assistants are on duty every day.

The University Police Department is located in the Campus Services Building at 2001 Bill McDonald Parkway, and operates 24 hours a day, 7 days a week.

CRIME PREVENTION PROGRAMS

Crime prevention programs are sponsored by various campus offices and organizations throughout the year. University Police, Environmental Health and Safety, Counseling and Wellness, Civil Rights and Title IX Compliance, and the Associated Students' Resource and Outreach Programs share information with students, faculty and staff, through new student and faculty/staff orientation sessions, drop-in programs, public education efforts, and residence hall programs (upon request).

WESTERN STARLIGHT SHUTTLE

The Western Starlight Shuttle provides late-night transit service to all students with a valid Western I.D. from 10:30 p.m. – 2:30 a.m. Monday through Saturday and 9 p.m. – 2 a.m. on Sunday. The service is on-demand and available in a geofenced area that is approximately a five-mile radius around campus. Additional information is available at transportation.wvu.edu/starlight-shuttle.

PERSONAL SAFETY ESCORTS

University Police provides personal safety escorts to or from any location on campus. To request a safety escort, call 360-650-3555 or through the LiveSafe app.

DAILY CRIME AND FIRE LOG

The Daily Crime and Fire Log includes crimes reported to the Department of Public Safety (DPS) in the past 60 days, and fires in campus residence halls reported to the Department of Public Safety (DPS) in the past 60 days.

The Daily Crime and Fire Log for the most current 60 days is available for viewing online at police.wvu.edu/daily-crime-and-fire-log-records, or during regular business hours (police.wvu.edu/building-hours) at the dispatch center in the lobby of the University Police Department located:

WWU Campus Services Building
2001 Bill McDonald Parkway
Bellingham, WA 98225

Daily Crime and Fire Log incidents older than 60 days will be made available for public inspection within two business days of request.

REGISTERED SEX OFFENDERS

The Campus Sex Crimes Prevention Act of 2000 is a federal law that provides for the tracking of registered sex offenders enrolled at or employed by institutions of higher education. The law also requires institutions to issue a statement advising members of the campus community where they can find information on registered sex offenders who are enrolled at or employed by the university. You can obtain information regarding registered sex offenders by visiting the Whatcom County Sheriff's Office website www.sheriffalerts.com/cap_main.php?office=54493 or the Washington Association of Sheriffs and Police Chiefs website www.waspc.org/sex-offender-information

SAFE CAMPUS HOTLINE

To help maintain the safety and security of Western's community, the university has established a "SAFE Campus" hotline, 360-650-SAFE or 360-650-7233. Individuals who are concerned about a person's actions or behavior or believe they may pose a safety risk to members of the campus community, should call the SAFE Campus hotline immediately.

All information will be screened by trained personnel and forwarded to the Threat Assessment Team or

appropriate university office for follow up. The SAFE Campus number is available 24 hours a day, 7 days a week.

SECURITY AND ACCESS TO CAMPUS FACILITIES

During business hours, the university (excluding certain housing facilities) is open to all students, employees, contractors, guests, and invitees. During non-business hours, access to campus facilities is by appropriate authorization only. The University Police Department posts a schedule of building hours on their website at police.wvu.edu/building-hours

Keys for offices, buildings and campus residence halls are closely controlled by the University Lock Shop and by the heads of campus departments and units. Reproduction of keys is authorized by the Office of Space Administration. Individuals must sign out keys through the Lock Shop, located in the Physical Plant Building at 915 26th Street. For questions, contact the Lock Shop directly at 360-650-3687.

WEAPONS POLICY

The possession or use of firearms or other weapons on university property or at official university events by anyone other than duly appointed and commissioned law enforcement officers is strictly prohibited. Members of the campus community and visitors who bring firearms or other weapons to campus must immediately place them in the university-provided storage facility, located in the University Police Department at 2001 Bill McDonald Parkway. Failure to do so may result in criminal charges and/or disciplinary action by the University. The storage facility is accessible 24 hours a day, 7 days a week. For additional information, refer to Western's Policy on Firearms and Dangerous Weapons at police.wvu.edu/selected-policies#firearms_and_dangerous_weapons or contact University Police at 360-650-3555.

Campus Crime Statistics

The Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act of 1998 (also known as the Clery Act) requires the annual publication of select campus crime, arrest, and referral statistics for the previous three years. Beginning with the 1999 calendar year, the Clery Act expanded reporting requirements to include crimes and arrests occurring in certain off-campus locations.

The Office of the Vice President for Enrollment and Student Services, the Office of Student Life and the Office of University Communications coordinate the preparation of the Annual Security and Fire Safety Report. Crime and fire safety statistics are compiled from data provided by the University Police Department, Bellingham Police Department, Bellingham Fire Department, University Residences, the Office of Student Life, and campus security authorities.

To gather statistics for separate campuses and non-campus buildings, University Police requests information from each facility's staff as well as from local law enforcement authorities.

Non-Campus

Non-campus is defined as any building or property owned or controlled by a student organization that is officially recognized by the institution and any building or property owned or controlled by an institution that is used in direct support of, or in relation to, the institution's educational purposes, is frequently used by students, and is not within the same reasonably contiguous geographic area of the institution.

Campus: BELLINGHAM	2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded	On- Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded
Murder/Non-Negligent Manslaughter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manslaughter by Negligence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	7	7	0	0	0	4	4	0	0	0	2	2	0	0	0
Fondling	3	5	0	0	0	1	1	0	0	0	0	2	0	0	0
Statutory Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Robbery	0	1	0	0	0	0	0	0	0	0	0	1	0	0	0
Aggravated Assault	1	1	0	0	0	0	0	1	0	0	0	0	0	2	0
Burglary	7	7	0	0	0	4	5	0	0	0	2	5	0	0	0
Motor Vehicle Theft	0	1	0	0	0	0	1	0	0	0	0	7	1	3	0
Arson	0	2	0	0	0	1	1	0	0	0	1	2	0	0	0
VAWA OFFENSES															
Domestic Violence	2	2	0	0	0	0	0	0	0	0	1	1	0	1	0
Dating Violence	1	1	0	0	0	0	0	0	0	0	1	1	0	0	0
Stalking	5	8	0	0	0	0	1	0	0	0	1	2	0	0	0
ARRESTS															
Weapons	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drugs	0	2	1	0	0	0	0	0	0	0	0	1	0	0	0
Alcohol	2	6	0	0	0	0	2	0	0	0	0	0	0	0	0
REFERRALS															
Weapons	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0
Drugs	147	157	1	0	0	102	107	0	0	0	78	78	0	0	0
Alcohol	244	251	0	0	0	104	109	0	0	0	140	151	0	0	0
HATE CRIMES															
Murder/Non-Negligent Manslaughter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manslaughter by Negligence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fondling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statutory Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Campus: BELLINGHAM	2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On-Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded
Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aggravated Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Larceny	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simple Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intimidation	0	0	0	0	0	0	0	1 (S)	0	0	0	1 (Re)	0	0	0
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Hate Crime Key: (D) Disability, (E) Ethnicity, (Ra) Race, (Re) Religion, (S) Sexual Orientation, (G) Gender, (N) National Origin, (GI) Gender Identity

Western’s Separate Campuses

Note on campus crime statistics for all campuses

Beginning in 2018, campuses in Everett, Anacortes, Bremerton, Port Angeles and Poulsbo were identified as separate campuses for the purposes of reporting crime statistics.

Campus: EVERETT		2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	
Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Aggravated Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Larceny	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simple Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Intimidation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Hate Crime Key: (D) Disability, (E) Ethnicity, (Ra) Race, (Re) Religion, (S) Sexual Orientation, (G) Gender, (N) National Origin, (GI) Gender Identity

Campus: ANACORTES	2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Larceny	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simple Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intimidation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Hate Crime Key: (D) Disability, (E) Ethnicity, (Ra) Race, (Re) Religion, (S) Sexual Orientation, (G) Gender, (N) National Origin, (GI) Gender Identity

Campus: BREMERTON	2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non- Campus	Unfounded
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Larceny	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Simple Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Intimidation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Hate Crime Key: (D) Disability, (E) Ethnicity, (Ra) Race, (Re) Religion, (S) Sexual Orientation, (G) Gender, (N) National Origin, (GI) Gender Identity

Campus: PORT ANGELES		2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Larceny	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simple Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Intimidation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Hate Crime Key: (D) Disability, (E) Ethnicity, (Ra) Race, (Re) Religion, (S) Sexual Orientation, (G) Gender, (N) National Origin, (GI) Gender Identity

Annual Security and Fire Safety Report

Campus: POUSLBO	2019					2020					2021				
	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded
Murder/Non-Negligent Manslaughter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manslaughter by Negligence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fondling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statutory Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aggravated Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VAWA OFFENSES															
Domestic Violence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Dating Violence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Stalking	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ARRESTS															
Weapons	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drugs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Alcohol	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
REFERRALS															
Weapons	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drugs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Alcohol	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
HATE CRIMES															
Murder/Non-Negligent Manslaughter	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manslaughter by Negligence	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fondling	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Statutory Rape	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Robbery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aggravated Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Campus: POUSLBO		2019					2020					2021				
OFFENSES	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	On Campus: Residence Halls	On Campus: Total	Public Property	Non-Campus	Unfounded	
Burglary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Motor Vehicle Theft	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Arson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Larceny	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Simple Assault	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Intimidation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Hate Crime Key: (D) Disability, (E) Ethnicity, (Ra) Race, (Re) Religion, (S) Sexual Orientation, (G) Gender, (N) National Origin, (GI) Gender Identity

Safety Policies for Bellingham Campus Residence Halls

Campus residence halls are secured 24 hours a day. All residents have access to their building and their room. In the event a resident loses his/her room key, the lock is changed to minimize the risk of an unauthorized person gaining entry.

The staff of University Residences works closely with campus safety officials and others to make residence halls safer, more secure communities. All students in campus housing ultimately must share in this responsibility.

Staff members are trained to respond to emergency situations and address any safety or security issues arising. Full-time professional resident directors manage each building/complex and live on site. One of the resident directors and one residence life leadership staff member are both on call and available to respond 24-hours a day. Student staff are on call in every occupied building/ complex from 9 p.m. to 7 a.m. daily.

University Residences staff collaborate with other campus offices to offer programs and information on a range of safety-related topics including sexual assault prevention and response, responsible alcohol use, medical/injury/mental health resources and response, and personal safety awareness. Detailed safety information, including information on residence hall policies and procedures, is provided to all campus residents on the University Residences website housing.wvu.edu.

MISSING STUDENT NOTIFICATION

In compliance with the Higher Education Opportunity Act (P.L. 110-315), the Western Washington University Police Department (UPD) in partnership with University Residences (UR) and Student Life implements required missing student policy and notification protocol for students who reside in campus student housing.

POL-U5620.03, Reporting a Missing Student Who Resides in University Housing

This policy applies to the reporting of a potentially missing student that is a registered resident of University Housing (see definition).

In the event a student may be missing and does not reside in University housing, individuals are encouraged to contact the law enforcement agency in the area where the missing student resides.

Definitions

Confidential Contact:

A contact person identified by a student living in a University Residence that is the person the student wishes to be contacted in the event they are determined to be missing. This contact information will not be used for any other purpose. This contact can be different or the same as who the student identifies as their Emergency Contact.

Emergency Contact:

An individual identified by a student and recorded in Western's Banner system that can be used in the event of an emergency involving the student. This contact can be the same or different from their Confidential Contact.

Emancipated Individual:

A person less than 18 years of age who has been declared by a court to be independent of his or her parents.

University Housing:

For the purpose of this policy, University housing includes:

- **Main Campus Housing:** Three residential housing communities on the main campus in Bellingham, WA referred to as North Campus, South Campus, and the Ridge.
- **Shannon Point Marine Center Housing:** Programmatic housing facilities at Shannon Point Marine Center in Anacortes, WA.
- **Leased Housing:** Housing near the main campus that is temporarily leased by the University when additional housing is needed.

1. University Police Oversees Missing Student Reporting and Investigations

The Chief of University Police Department (UPD), in partnership with the Director of University Residences, the Executive Director of Student life, and the Director of University Communications, is responsible for maintaining a reporting and investigation process in the event of a missing student.

2. Individuals to Promptly Report a Missing Student

To promptly ensure a student is safe, if any individual has reason to believe that a student, who resides in a University Residence, may be missing, they are to promptly follow the Reporting and Investigating a Missing Student Procedure (PRO-U5620.03A).

3. University Police to Investigate Missing Student Reports

The University Police Department is the primary authority responsible for:

- a) Leading investigations of missing students residing in University Residences,
 - b) Making the official determination that the student has been missing for more than 24 hours.
4. University Police to Enter Missing Student Information into National Database

A record for a missing student must be entered into the National Crime Information Center (NCIC). If the student is under the age of 21, this must be done within two hours of official determination that the student is missing.

5. University Officials to Initiate Contact with Student's Registered Confidential Contact(s)

In accordance with procedures (PRO-U5620.03A), the University is to make reasonable attempts to contact with the missing student's registered Confidential Contact, if one was registered by the student.

6. Director of University Communications is Designated Spokesperson

The Director of University Communications is the designated spokesperson to handle media inquiries concerning a missing student. The Director will first consult with law enforcement in charge of a missing student investigation prior to any release of information from the University so as not to jeopardize the investigation.

Information provided to the media to elicit public assistance in the search of the missing person will also be directed by law enforcement.

7. University Residences Notifies Students of Option to Register a Confidential Contact

The Director of University Residences is responsible for ensuring students are notified upon enrollment for University Residences that they have the option of registering one or more Confidential Contacts. The Confidential Contact information is to be used only to assist the University in locating the student in the event they are reported missing.

The notification to students regarding the option to register a Confidential Contact will:

- a) Clearly differentiate between an Emergency Contact and a Confidential Contact,
- b) Provide an effective means for identifying and updating a Confidential Contact at any time,
- c) Advise residential students that their Confidential Contact will be maintained in a confidential manner meaning that this information will be accessible only to limited authorized campus officials, and that it may not be disclosed, except to law enforcement personnel in furtherance of a missing person investigation,
- d) Inform residential students that if they are determined by University Police to have been missing for 24 hours, a delegated University official will attempt to reach their Confidential Contact(s), if registered, within 24 hours after being informed of the determination.
- e) Advise each student who is under 18 years of age, and not an emancipated individual, that the University is required to notify a custodial parent or guardian not later than 24 hours after the time the student is determined to be missing (in addition to notifying any additional contact person identified by the student).

8. Students May Add or Change Confidential Contacts at Anytime

The opportunity to identify a Confidential Contact and make changes to the contact information, including removing or changing the contact, is allowed at any time while a student resides in University Residences.

9. Confidential Contact Information will be Maintained in Confidential Manner

A student's Confidential Contact will be maintained and secured in the University Residences housing information system with limited access only to positions determined by the Director of University Residences and the extent permitted by law. Confidential Contact information is to be maintained separate from a student's Emergency Contact which is stored in the University's enterprise information system.

Authorized University Residence personnel may only disclose Contact Information to law enforcement personnel and only for the purpose of investigating a missing student.

PRO-U5620.03A REPORTING AND INVESTIGATING A MISSING RESIDENT STUDENT

Action by: Individual Who Suspects a Residential Student May be Missing

1. Contacts either University Police or any University Residence Staff, including Student Staff (e.g. a Resident Advisor, Desk Assistant).

University Police Phone: 360-650-3911

University Residence Administration: 360-650-6565

- a) If University Police is contacted by the individual, go to step #10.
- b) If University Residence Staff is contacted by the individual, go to step #2.

Action by: University Residence Staff Receiving Initial Report

2. Receives report that a residential student may be missing.
3. Immediately notifies University Residences management via chain of command, to include at a minimum:
 - a) Resident Director on-call,
 - b) Central Staff on-call,
 - c) Associate Director of University Residences, and
 - d) Director of University Residences.

Action by: University Residence Management

4. Promptly works with initial reporter (from step #1) to make reasonable efforts to reach the missing student (including contacting the student's Confidential Contact, if registered).
5. Informs most senior police officer on duty of report and will provide update within 24 hours (Contacts via Police Dispatch 360-650-3911).

Action by: Director of University Residences or Designee

6. At any time, but no later than 24 hours from receiving the report:
 - a. Notifies senior officer if student located, or

- b. Notifies Chief of Police or designee if unable to locate student.

Action by: Director of University Residences or Designee (cont.)

7. Determines if student is under 18 years of age.
 - a. If under 18, determines if student registered themselves in UR system as emancipated.
 - b. If under 18 and not emancipated, contacts student's custodial parent or guardian after it has been determined that the student has been missing for 24 hours or sooner.
8. Obtains the student's Emergency Contact from Banner.
9. Does not provide the Confidential Contact information to anyone other than UPD.

Action by: University Police

10. Receives report that a residential student may be missing.
 - a. If initial report received IS by someone other than UR management, contacts Director of University Residences regarding report (or other UR management if Director not available).
11. Obtains, from UR management, the student's:
 - a. Confidential Contact information from UR student data system (if provided by the student)
 - b. Emergency Contact information from Banner
 - c. Custodial parent or guardian contact if student is under 18 and not emancipated.
12. Makes reasonable attempts to reach the student's Confidential Contact determination that the student is missing FOR MORE THAN 24 HRS BEFORE making attempts to contact the student's Emergency Contact (if the two contacts are different).
 - a. If contacts are different, attempts to contact the Emergency Contact but only after making reasonable attempts to reach the Confidential Contact.
13. Notifies Police Dispatch (within 2 hours if the student is under the age of 21) to enter the missing student information into the Washington Crime Information Center (WACIC/NCIC).
14. Coordinates with UR Director to notify and meet with President's Cabinet, Director of Communications, and other stakeholders (as deemed necessary), to provide a briefing on the situation.
15. Conducts formal investigation of missing student.

Fire Safety

Western takes fire safety and prevention seriously and works to enhance its programs continuously. Staff from Environmental Health & Safety work with University Residences' staff to promote a safe living environment. More specifically, training and awareness is provided during new staff orientation (for all new University employees), during annual Resident Advisor fall training, and regular training for custodial staff. More comprehensive information can be found at ehs.wvu.edu/fire-safety.

All residence halls have building fire alarms, room detection equipment, common area detection equipment and central reportage of alarms. All buildings except for Edens North have a sprinkler system

If you discover a fire in a campus building:

- Immediately pull the nearest fire alarm as you exit the building.
- Once you are safely away from danger, call University Police at 360-650-3911 to report the fire. If you are off-campus, dial 911. Tell the dispatcher the exact location of the fire and any known hazards (e.g., flammable materials) at the location.
- After you've left the building, stand by to direct emergency personnel to the location of the fire.
- Immediately notify University Police for a non-emergency fire incident by calling 360 650-3555.

Additional information on fire safety – including what to do in a fire – is available on the Environmental Health and Safety (EHS) website at ehs.wvu.edu/fire-safety.

DESCRIPTION OF STUDENT HOUSING FIRE SYSTEMS

Fire Alarm: All facilities have combination automatic detection / manual initiation devices & notification system covering both student rooms & public areas connected to UPD in accordance with NFPA 72 standards.

Security Alarm: Although full scale intrusion detection systems are not in place computer lab assets are monitored via sensors connected to UPD.

Fire Sprinkler: Most facilities have fire sprinkler system covering both student rooms & public areas in accordance with NFPA 13 & 25 standards. However, Edens North has no coverage but are upgrades are being planned within the next 5 years.

Fire Extinguisher: All facilities have portable suppression devices located in accordance with NFPA 10 standards.

Mass Notification: Some facilities have general voice enunciation alert capabilities providing UPD & the campus capability of broadcasting emergency messages throughout facilities as needed. However, a 10-year plan has been developed to upgrade capabilities in order to meet Galain report recommendations which shall provide enhanced emergency notification.

Testing: All systems are testing in accordance with applicable National Fire Protection Agency (NFPA) codes previously listed, International Fire Code (IFC) & requires set forth by the Authority Having Jurisdiction (AHJ - Bellingham Fire Marshal). Annual testing is done on all systems at varying times throughout the year & monthly inspections are also done on fire extinguishers.

FIRE STATISTICS

Information about fires in each residence hall for 2019, 2020, and 2021 are below:

2019

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Edens Hall 624 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 1 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 2 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 3 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 4 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 5 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 6 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 7 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 8 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Fairhaven Stack 9 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 10 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Birnam Wood 2901 Bill McDonald Pkwy Bellingham, WA 98225	0	0	N/A	0	0	0
Buchanan Towers 2401 Bill McDonald Pkwy Bellingham, WA 98225	1	1	11/9/19, Unintentional fire of a paper plate	0	0	\$0 - \$99
Higginson Hall 684 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Mathes Hall 629 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Nash Hall 689 High St Bellingham, WA 98225	0	0	N/A	0	0	0
New York Apartments 920 22nd St Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Alpha 135 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Beta 207 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Delta 141 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Ridgeway Gamma 235 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Kappa 211 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Omega 129 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Sigma 123 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0

2020

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Birnam Wood 2901 Bill McDonald Pkwy Bellingham, WA 98225	0	0	N/A	0	0	0
Buchanan Towers 2401 Bill McDonald Pkwy Bellingham, WA 98225	2	1	6/5/21, Intentional Fire- Poster set on fire in elevator	0	0	\$0-\$99
		2	2/3/20, Unintentional Fire-Flames from cast iron skillet	0	0	\$0-\$99
Edens Hall North 644 High St Bellingham WA 98225	0	0	N/A	0	0	0
Edens Hall 624 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 1 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 2 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 3 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 4 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 5 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Fairhaven Stack 6 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 7 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 8 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 9 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 10 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Higginson Hall 684 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Mathes Hall 629 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Nash Hall 689 High St Bellingham, WA 98225	0	0	N/A	0	0	0
New York Apartments 20 22nd St Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Alpha 135 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Beta 207 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Ridgeway Delta 141 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Gamma 235 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Kappa 211 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Omega 129 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Sigma 123 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0

2021

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Birnam Wood 2901 Bill McDonald Pkwy Bellingham, WA 98225	0	0	N/A	0	0	0
Buchanan Towers 2401 Bill McDonald Pkwy Bellingham, WA 98225	0	0	N/A	0	0	0
Edens Hall North 644 High St Bellingham WA 98225	0	0	N/A	0	0	0
Edens Hall 624 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 1 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 2 467 S College Dr Bellingham, WA 98225	1	1	12/31/21, air fryer	0	0	\$0-\$99
Fairhaven Stack 3 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 4 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 5 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 6 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Fairhaven Stack 7 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 8 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 9 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Fairhaven Stack 10 467 S College Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Higginson Hall 684 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Mathes Hall 629 High St Bellingham, WA 98225	0	0	N/A	0	0	0
Nash Hall 689 High St Bellingham, WA 98225	0	0	N/A	0	0	0
New York Apartments 20 22nd St Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Alpha 135 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Beta 207 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Delta 141 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Facility/Address	Total Fire(s) in Each Building	Fire Number	Cause of Fire	Number of Injuries	Number of Deaths	Value of Property Damage
Ridgeway Gamma 235 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Kappa 211 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Omega 129 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0
Ridgeway Sigma 123 Highland Dr Bellingham, WA 98225	0	0	N/A	0	0	0

Information about building fire alarms, room detection, common area detection, central reporting and sprinkler systems for each residence hall is below.

Residence Hall	Building Fire Alarm	Room Detection	Common Area Detection	Central Reportage*	Sprinkler System
Birnam Wood	YES	YES	YES	YES	YES
Buchanan Towers	YES	YES	YES	YES	YES
Buchanan Towers East	YES	YES	YES	YES	YES
Edens Hall	YES	YES	YES	YES	YES
Edens North	YES	YES	YES	YES	NO
Fairhaven Complex	YES	YES	YES	YES	YES
Higginson Hall	YES	YES	YES	YES	YES
Mathes Hall	YES	YES	YES	YES	YES
Nash Hall	YES	YES	YES	YES	YES
Ridgeway Alpha	YES	YES	YES	YES	YES
Ridgeway Beta	YES	YES	YES	YES	YES

Residence Hall	Building Fire Alarm	Room Detection	Common Area Detection	Central Reportage*	Sprinkler System
Ridgeway Delta	YES	YES	YES	YES	YES
Ridgeway Gamma	YES	YES	YES	YES	YES
Ridgeway Kappa	YES	YES	YES	YES	YES
Ridgeway Omega	YES	YES	YES	YES	YES
Ridgeway Sigma	YES	YES	YES	YES	YES

* Central reportage provided through FireWorks for Birnam Wood, Buchanan Towers, Edens Hall, Fairhaven Complex, Higginson Hall, Nash Hall, and Ridgeway Delta, Gamma, Omega, and Sigma. Central reportage provided through McCullough Loop for Edens North, Mathes Hall, and Ridgeway Alpha, Beta, and Kappa.

FIRE DRILLS

Each residence hall had three fire drills in 2019 and 2021, one each in winter, spring and fall quarters. Those that were occupied in summer had an additional fire drill. For 2020, all residence halls had one fire drill in winter quarter and then only those occupied had additional fire drills because of reduced occupancy due to COVID-19.

PROHIBITED ITEMS*

The following items are prohibited in all campus student housing facilities, to prevent fire or the spread of fire:

- **Candles & Incense:** Burning candles, incense, torches, or open-flame devices is prohibited in University Residences. Careful use of candles or incense for birthdays or religious purposes is allowed with advance per- mission from your resident director.
- **Flammable Materials & Explosives:** Explosives, fireworks, gasoline, or any other flammable materials; and decorations made from cut, resin-bearing trees or vegetation such as fir, pine, cedar, spruce, and eucalyptus are prohibited in University Residences.
- **Hazardous Electronics:** Electric hotplates, burners, toasters, toaster ovens, electric blankets, space heaters and halogen lamps.

In addition, all power strips and extension cords must be UL (Underwriter Laboratory) approved and used only for their designed purposes and power loads. Residents are encouraged to use extension cords and power strips that sense leakage currents (such as Fire Shield®) and disconnect power when a fault is detected. This feature significantly reduces the potential for fire from cord fires, ground faults, surges and overloads.

Smoking is prohibited in all University Residences buildings and within 25 feet of doors, windows, and ventilation intakes. This includes, but is not limited to: all balconies and all public spaces such as lounges, stairwells, hallways, food service areas, and laundry rooms. Smoking is also prohibited at any outside area that may affect the air supply of residential buildings.

TRAINING

All resident advisors and resident directors receive annual training in fire prevention, evacuation, and response provided by Environmental Health and Safety.

EVACUATION PROCEDURES

All campus buildings fully evacuate upon activation of the fire alarm. When an alarm, a shouted warning, or the sensation of smoke or fire has alerted you:

- **Keep low to the floor to avoid smoke.** When escaping through a smoke-filled corridor, move quickly in a crouched position. If possible, place a wet cloth over your face and head.
- **Feel the door before opening it.** If it's hot, don't open it. If smoke or heat is present, close the door and stay in the room. Seal the cracks around the door with whatever is handy (a towel, etc.). If the phone works, call 911 and report that you are trapped. Be sure to give them your room number and location. If the phone does not work, hang a sheet, jacket, etc., out of the window to attract attention.
- **If the hall is free of smoke or heat,** close and lock your door and immediately exit the building by the closest stairwell. **DO NOT USE AN ELEVATOR!**
- **If the nearest exit is blocked, go to another exit.** If all exits are blocked, go back to your room. Close the door, hang something out of the window to attract attention, and signal for help.
- **Once outside the building, move away from the building** and watch for vehicle traffic. Do not reenter the building until you have been given approval to reenter by police, fire officials, or university staff.

Important: Keep all fire exit and corridor doors closed at all times. These doors are fire rated to keep smoke and heat from entering stairways and adjoining corridors. If at any time you observe these doors propped open, please close them immediately.

Prevention and Awareness Programs

Prevention programming at WWU is comprehensive, integrative, and inclusive. Programs are culturally relevant, responsive to changing community needs, and based in best practices. On a routine basis, programs are assessed for value, effectiveness, and achievement of desired outcomes.

Prevention programming empowers individuals to make positive, health-enhancing choices. All programs teach essential skills for safe and effective intervention. They encourage bystander empowerment through promotion of awareness, knowledge, and skills. As a result, prevention programs aim to increase one's confidence to act in safety-promoting ways and to increase one's engagement in the creation of a healthy environment.

Essential components of prevention campaigns include:

- A clear statement that the relevant offenses are prohibited;
- Safe and positive options for bystander intervention
- Potential outcomes of reporting possible sanctions and available protective measures that may be implemented
- Campus and community resources

SEXUAL VIOLENCE PREVENTION PROGRAMS

The Counseling & Wellness Center and the Civil Rights and Title IX Compliance office work together to provide comprehensive, integrated initiatives, strategies, and campaigns intended to end sexual violence, sexual harassment, intimate partner violence, and stalking. Programming is inclusive of diverse communities and identities. Programming follows a public health model of addressing large social health problems and includes consideration of environmental risk and protective factors as they occur on the individual, relationship, institutional, community and societal levels.

Prevention programming implements the values of providing positive messaging, encouraging students to make choices about their sexual and intimate relationships that follow an ethic of safety and autonomy for self and others. Programs provide key information and definitions related to these crimes, and they teach essential skills for safe and effective intervention. Bystander Empowerment programming provides the awareness, knowledge, skills, and confidence to act to promote individual and community safety. In-person workshops aim to build safe environments for candid discussions and honest reflection about the complex and important work of creating healthy sexual and intimate relationship practices.

Sexual violence prevention campaigns include:

- Skills and knowledge for building healthy intimate relationships
- Navigating consent
- Warning signs of abuse and information in risk reduction
- Building empathy for survivors of abuse and assault

Awareness programs include student-led activities, events, educational workshops, and participation in actions initiated by other campus departments and student clubs. Awareness activities include implementation of campus-wide Domestic and Sexual Violence Awareness Month calendars and visual communications with easily identifiable branding and messaging. Awareness activities are interactive and center the lived experiences and stories of survivors and provide information about student services and university policies.

Sexual Violence Prevention and Awareness Programs

This section describes virtual workshops and presentations. Due to the ongoing COVID-19 pandemic in 2021, workshops and presentations were offered in both virtual and in-person formats.

During the 2021-2022 academic year, WWU completed the following prevention education workshops: Consent & Healthy Relationships workshops (31 participants total from Freshman Interest Groups, academic classrooms, and PPGen)

Domestic Violence Awareness Month presentations (357 participants total from academic classrooms)

WWU Mandatory Sexual Violence Prevention Programming

Western requires all matriculated first-year undergraduates and graduate students and all matriculated second-year students to complete a mandatory Sexual Assault Prevention online training. The required trainings are coordinated by staff based in the Counseling & Wellness Center and assisted by many other Western departments.

This training helps create a shared understanding of the societal issue of sexual violence, an issue particularly critical to college students. It highlights healthy relationships, the importance of obtaining consent, and the ways you can help a friend or someone in need. It also explains Western's policies, resources, and reporting options regarding sexual violence and ensures that learners are aware of their rights under Title IX.

The training includes:

- The definition of domestic violence, dating violence, sexual assault, and stalking in Washington, and other states
- A statement that Western prohibits these offenses
- The definition of consent in reference to sexual activity
- Safe and positive options for bystander intervention
- Information on risk reduction to recognize warning signs of abusive behavior
- A description of the Western's ongoing prevention and awareness campaigns for students and employees
- Information regarding Western's procedures for institutional disciplinary action in cases of alleged dating violence, domestic violence, sexual assault, or stalking
- A statement of policy regarding the institution's programs to prevent dating violence, domestic violence, sexual assault, and stalking, and of procedures that the institution will follow when one of these crimes is reported

During the 2021-2022 academic year, this online training was completed by:

- 1,135 new undergraduate students
- 158 new graduate students

The CWC additionally facilitates a mandatory 90-minute violence prevention workshop for athletes within the Athletics and Campus Recreation departments.

During the 2021-2022 academic year, this in-person training was completed by:

- 236 Varsity athletes
- 474 Club Sports athletes

Bystander Intervention Training

Bystander Intervention Training provides a definition of the process and the skills for action. It teaches safe and positive options for acting that may be carried out by an individual or individuals to prevent harm or intervene when there is a risk of dating violence, domestic violence, sexual assault or stalking, in-order to ensure safety and prevent sexual violence.

The process of Bystander Intervention Training includes empowering individuals through:

- Awareness and knowledge:
 - Recognizing situations of potential harm
 - Understanding institutional structures and cultural conditions that facilitate violence
 - Making the choice to act
 - How to assess when it is safe to intervene directly. Never put one's self in harm's way.
- Skill acquisition:
 - Identifying and overcoming barriers to intervening
 - How to intervene in a friendly and assertive manner
 - How to approach the situation in a positive manner, staying level-headed, non-judgmental and open-minded
 - How to use curiosity and questions effectively
 - Identifying a wide variety of safe and effective intervention options for interventions
- Confidence to act when the need arises:
 - Practice taking action to intervene in a variety of circumstances that may occur
 - Identify what would help ensure that action is taken and how to make that happen

Specific Safe and Effective Options Include:

Direct options can be implemented individually, or others can be enlisted to assist or act as allies.

- Direct options:
 - Approach the situation and ask questions, such as “do you need help?”
 - Remove one of the individuals from the situation
 - Speak up about the offensive remark or the inappropriate action
 - Express your concerns - talk to all parties involved about your concerns
 - Create distraction
 - Attracting the attention of either individual involved
 - Asking either party for information or help with something
 - “Aren’t you Jane’s friend? Can you help me find her?”
 - “I’m having a ‘wardrobe malfunction and really need you to help me with...”
 - Engaging either party in a conversation:
 - “Don’t I know you? Didn’t I see you in Red Square the other day?”
 - “I just love that shirt. Where did you get it?”
- Indirect options:
 - Ask a friend/another bystander to step in
 - Call 911 or another authority for assistance – this may also include asking the host of an event to step in
 - Find other ways to get involved or disrupt an apparent risky situation
 - Check your perception of the situation with others you trust – then decide the best course of action

For additional information contact University Police at 360-650-3555, Environmental Health and Safety at 360- 650-3064, or the Counseling & Wellness Center at 360-650-3164.

Western Washington University's Drug and Alcohol Abuse Prevention Program

UNIVERSITY DRUG AND ALCOHOL POLICY

Western's *Preventing the Misuse and Abuse of Alcohol and Other Drugs Policy* ([POL-U1000.07](#)) has been revised, effective September 14, 2022. The policy applies to the University community which includes:

- Employees,
- Board of Trustees (BOT) Member,
- University volunteers,
- Matriculated and non-matriculated students,
- Visitors and contractors, and contractors' employees present at University activities and/or on University controlled property, and
- Alumni attending University or alumni activities or accessing resources.

The policy strictly prohibits the following on University property, during University work and academic and student activities:

- Distributing alcohol to anyone under the age of 21,
- Drinking or possessing alcohol if under the age of 21,
- Drinking or possessing alcohol and/or drugs (regardless of age) when prohibited at the location or in specified circumstances,
- Using, manufacturing, distributing, or possessing illicit drugs or drug paraphernalia (see also Section 4 regarding marijuana),
- Using drugs or alcohol illegally,
- Misuse of/impaired by alcohol or drugs, or
- Bringing, using, or serving alcohol at a University event without the required approvals.

In addition to individual adverse consequences, the University is subject to violations including:

- Repayment of any or all forms of federal financial assistance received by the University,
- Suspension or termination of a federal contract or grant, and/or
- Terminated (debarred) as a federal contractor, or
- Fines and potential loss of ability to receive funds through federal resources.

All employees and students are expected to review [the policy in full](#). The policy addresses other specific expectations for students and employees including, but not limited to:

- Alcohol or drug use during University sponsored group trips
- Marijuana use on campus (federal vs state law)
- Student conduct code
- Use of alcohol or drugs for academic or research purposes
- Serving alcohol at university activities or on university property
- Sale of alcohol
- Responsibility for personal behavior
- Responding to suspected opioid overdoses
- Referencing marijuana or alcohol in marketing or advertising
- Behavior of visitors and guests
- Reporting violations
- Specific employees responsible for oversight and enforcement

See also: **Reporting Employee Drug Convictions Procedure** ([PRO-U1000.07A](#))

STUDENT CODE OF CONDUCT – specific to drugs and alcohol use

In addition to being required to comply with University drug and alcohol policy, students are subject to the Student Code of Conduct ([WAC 516-21](#)).

Drugs and Paraphernalia ([WAC 516-21-140](#))

Except as permitted by law and university policy, the possession, use, cultivation, manufacturing, packaging, distribution, or provision of a controlled or illegal substance or the possession of drug paraphernalia while on university property or at an official university function is a violation of the code. This code violation also includes the intentional misuse or distribution of prescription drugs.

[rev. 1.9.12]

Alcohol ([WAC 516-21-130](#))

Except as permitted by law (e.g., possession or use by a person of legal age) and/or university policy, the possession, use, distribution, or sale of alcohol while on university property or at an official university function is a violation of the code.

[rev. 1.9.12]

Hazing ([WAC 516-21-120](#))

Hazing is any act that, as an explicit or implicit condition for initiation or admission into, affiliation with, or continued membership in a group or organization, endangers the health, safety, or well-being of any member of the university community, is a violation of the code. Examples of hazing include, but are not limited to:

1. Requiring the consumption of any food, alcohol, drug, or other substance.
2. Requiring forced participation in physical activities, including calisthenics, exercise, or other games or activities that entail physical exertion.
3. Requiring exposure to weather elements or to other physically or emotionally uncomfortable

situations, including sleep deprivation, confinement in small spaces, physical bondage, and/or taking a student to an outlying area and dropping them off.

4. Requiring conduct that can be reasonably expected to embarrass another, including the performance of public stunts or activities such as scavenger hunts.
5. Requiring anything that would be illegal under city, state, or federal law, or in violation of any university policies or procedures, including the code.

[rev. 1.9.12]

SUBSTANCE ABUSE EDUCATION AND PREVENTION PROGRAMS

The University values the health and safety of every individual and stresses the importance of education to reduce the risks of drug and alcohol use. Western provides education through its Counseling & Wellness Center [Substance Abuse Prevention Program](#) on the effects of alcohol and drug use and abuse, prevention, recovery and treatment, and prescription disposal through workshops, training, and general communications.

Members of the university community are encouraged to further educate themselves on the health effects through reputable sources, such as the:

National Institute on Drug Abuse (www.nida.nih.gov),
National Institute on Alcohol Abuse and Alcoholism (www.niaaa.nih.gov), and
Centers for Disease Control (www.cdc.gov).

In addition, information about the health risks associated with drug and alcohol misuse and treatment assistance is available from the [Student Health Center](#), the [Employee Assistance Program](#), and [local resources](#).

WWU'S OPIOID OVERDOSE RESPONSE PROGRAM

Western is fully committed to preventing the misuse of opioids in our community and help eliminate the evolving epidemic of drug-related harms. However, the University recognizes the importance of also being prepared to quickly respond to an overdose situation. In the event an individual on campus appears to be experiencing a drug overdose, it is vitally important that University Police be called to respond (x3911). Each University Police Officer maintains a supply of Narcan (an opioid overdose reversal medication) they are trained to administer.

In addition, we encourage all campus community members to educate themselves on the signs of an overdose and immediately contact emergency services when they suspect a person is suffering from an overdose.

Sexual Misconduct, Including Sexual Assault, Dating Violence, Domestic Violence and Stalking

WWU-Mandated Initial Sexual Violence Prevention Education for All Students

Western Washington University requires all students new to Western to complete Sexual Assault Prevention training, a web-based best practice training program to prevent sexual violence, designed specifically for college students.

By completing Sexual Assault Prevention training it ensures all students have a fundamental awareness of the issues relating to sexual violence. They are also engaged as part of the solution to sexual violence and participating in creating and maintaining a campus community that supports healthy relationships and fosters a safe environment for everyone.

It is hoped that through this training students will be better informed and build stronger skills to identify and intervene in situations where others' well-being or safety may be in jeopardy. This training also provides important information about every student's rights under Title IX, a civil rights law prohibiting sex discrimination, including sexual violence.

Counseling & Wellness Center

Comprehensive Awareness and Education Campaign Plan to Prevent Sexual Violence*

Counseling and Wellness Center staff provide Sexual Violence Prevention and effective intervention training to a wide range of student groups throughout the year. One area of training focuses on student leaders as part of the solution. This group may include: Orientation Student Advisors, Resident Advisors, Peer Health Educators, and Varsity Athlete Teams, among others. Training is also promoted to faculty for potential inclusion in their course content.

Counseling and Wellness Center staff also work collaboratively to infuse sexual violence prevention information into many programs, events, and activities that take place on campus through the year.

Additional programming highlights specific sexual violence-related outreach that encompasses awareness days, weeks, and month promotions, along with on-going campaigns promoting healthy relationships, importance of being an empowered and active bystander, and taking a stand against all forms of sexual violence.

Training is also provided for staff and faculty in covering how to have a compassionate response to disclosures, best options for assisting students who disclose sexual violence experiences, creating a safe space for survivors in their classrooms or work spaces, increasing awareness of campus resources, and how to effectively connect a student to these resources.

Sexual Violence Prevention staff also, directly or in collaboration with other programs, provide training for many community groups. Audiences for these trainings vary from local community prevention coalitions, local businesses, police, community college and public school classes, large concentration off-campus student housing areas, and hosts of frequent, large music house parties.

Prevention Education for All Employees

Safe and positive options for bystander intervention are covered in the online harassment and discrimination prevention training modules required of all new and existing employees. Aspects of bystander intervention and supporting survivors covered in the online training include:

- Educating yourself about reporting options and confidential resources so you can provide this information to others if they need it. Faculty and staff responsibility for reporting known or suspected sexual harassment and sexual violence to the Title IX Coordinator, the reasons for this reporting requirement, and action taken by the Title IX Coordinator upon receipt of a report.
- Promoting positive social norms, for example by discouraging joking about sexual harassment or sexual violence.
- Building awareness to understand warning signs that may lead to sexual violence.
- Learning that there are multiple ways to be a bystander. These include
 - (1) directly intervening by approaching the perpetrator or victim,
 - (2) getting another person to intervene (for example by finding a friend of the person being targeted or by calling an authority over the space or the police), or (3) causing a distraction that interrupts the situation, for example by joining the conversation or spilling a drink.
- When observing unwanted sexual attention, if you overhear use of sexist or derogatory language, or if you know someone in an abusive relationship:
 - Notice that something is not right
 - Identify that a person needs help
 - Make the decision to act and develop a strategy for intervening
 - Intervene safely, either alone or with other people.
- What to do if a survivor reports sexual violence to you, including letting the person know:
 - You care about them
 - You must inform the Title IX Coordinator so that the survivor can be fully notified of available resources and reporting options

- They can expect that a staff member in the Office of Civil Rights and Title IX Compliance will reach out to them to provide information about available resources
- The university will provide support services to survivors whether or not they choose to report to the police or file a discrimination complaint.
- When observing unwanted sexual attention or inappropriate sexualized comments:
 - Identifying that someone is uncomfortable, or that someone may be uncomfortable even if discomfort is not visible
 - Assessing one's safety
 - Deciding to act, either by:
 - (1) directly approaching the perpetrator, the person being targeted, or both individuals separately, about the situation,
 - (2) indirectly interrupting the situation, for example by asking one party if they have tried the snacks, if they'd like to take a walk, if you can borrow their cell phone, or
 - (3) calling for assistance.

All new and existing WWU faculty and staff are required to complete online harassment and discrimination prevention training, consisting of two online modules. Per University Policy 1600.04, new employees should complete the training within their first 6 months of employment. Following their initial training as new employees, all WWU faculty and staff are required to complete on-going harassment and discrimination prevention training every three years thereafter.

- From January 1, 2021 through December 31, 2021 a total of 1,830 individuals completed the online harassment and discrimination prevention training module.
- From January 1, 2021 through December 31, 2021 a total of 1,761 individuals completed the online training module about sexual violence prevention and response.
- From January 1, 2021 through December 31, 2021, a total of 387 student employees and/or graduate teaching/research assistants completed Sexual Harassment Prevention Training through online asynchronous courses developed by CRTC.

What You Can Do If You Have Experienced Sexual Violence

The list below offers possible next steps for anyone who has experienced sexual violence and/or abuse. If you have experienced sexual violence, it is important for you to know it is not your fault and support is available. Western's primary concern is your safety, and we encourage you to utilize any or all of the suggestions below that feel supportive to you. After experiencing violence and/or abuse you deserve to be in control of the next steps.

- **Go to a safe place.** This could be your home, a friend's home, a locked car, or a busy public place. If you do not feel safe and are wanting an immediate emergency option, you always have the option of contacting, contact Bellingham Police (911) or University Police (360-650-3911) for assistance.
- **Seek support.** Contact a close friend or other trusted person who can support you in your next steps. Trained confidential support services are available through Domestic Violence & Sexual Assault of Whatcom County (DVSAS). DVASAS services include a 24-hour help line at (360) 715-1563 or (877) 715-1563, more information about 24-hour local and national resources can be found here: <https://cwc.wvu.edu/survivorservices#24hour>
- **Contact Survivor Advocacy Services at the Counseling & Wellness Center.** [Survivor Advocacy Services](#) is a confidential resource for Western students who are experiencing or have experienced relationship (domestic, dating, intimate partner) violence or abuse, sexual violence, stalking, and/or sexual harassment. Survivor Advocacy Services provides student survivors with individualized emotional support, support groups, safety planning, academic advocacy, information and support navigating medical, legal, and reporting options. Survivor Advocacy Services can connect you with campus and area resources as well as support groups. Call Survivor Advocacy Services can be reached at 360-650-7982, or visit <https://cwc.wvu.edu/survivorservices>.
- **Preserve evidence.** In case you choose to report the incident, preserve all physical evidence available to document a sexual assault or rape. This includes not laundering clothes/bedding and/or not showering until you've had a medical examination. If the incident location is accessible to you, disturb it as little as possible.
- **Consider obtaining a medical examination.** Even if you choose not to report the incident, you can still seek a medical exam to check for physical injury and the possibility of sexually transmitted diseases.
- **Utilize campus employee resources.** People who experience sexual violence can request assistance such as modifications in their working arrangements, help with safety planning, no-contact orders, and confidential consultation through the Employee Assistance Program, 877-313-4455. Such assistance is available whether or not an employee chooses to make a report to the police. The Title IX Coordinator (360-650-3307) can help with these arrangements.

LOWERING RISK OF SEXUAL ASSAULT

It is important to note that it is never the survivor's fault when they experience sexual assault. There is no absolute way to prevent sexual assault from occurring. Below are some safety tips on how you may lower your risk.

Sexual assault is a serious concern that affects people of all gender identities. Research shows that sexual assault affects one in five college women, and one in 16 men. Roughly 84 percent of all sexual assaults are committed by someone the survivor knows. Often, they involve alcohol and sometimes other drugs.

Although personal safety can never be guaranteed, there are steps you can take to reduce your risk of being targeted. These include:

- Always use the buddy system or travel in groups, especially when going to parties or other events on- or off-campus.
- Be assertive about communicating what you want from another person. Ask the person you are with to do the same.
- Trust your instincts. If a situation feels uncomfortable or unsafe to you, there is probably a good reason.
- Be aware of the effects of alcohol and other drugs on your body. Use of substances can interrupt the ability to make sound decisions and impair the ability to communicate clearly.
- Do not leave your drink unattended or accept a drink or other drugs from someone you don't know, especially at a bar or a party.
- Avoid being alone with an unfamiliar person, particularly when alcohol or other drugs are involved. If you are alone, make sure that your friends know where you are, who you are with, and how long you'll be gone.

Procedures for Reporting Sexual Assault, Dating Violence, Domestic Violence or Stalking

In addition to, or instead of reporting sexual assault, dating violence, domestic violence or stalking to University Police, reports may also be made to the Director, Office of Civil Rights & Title IX Compliance (CRTC) who also serves as the University's Title IX Coordinator. Survivors of sexual assault, dating violence, domestic violence, or stalking are encouraged to contact the CRTC Director to discuss the investigation process or to file a complaint:

Director, Title IX Coordinator, ADA
Coordinator Office of Civil Rights & Title
IX Compliance Old Main 345
360-650-3307 (voice) or 711 (WA
Relay) crtc@wwu.edu.

The Director or their designee oversees and addresses allegations of harassment and discrimination, including complaints of sexual assault, dating violence, domestic violence, or stalking that involve or threaten members of the WWU community. All complaints that fall under Title IX jurisdiction will be conducted pursuant to POL-U1600.04, Preventing and Responding to Sexual Harassment under Title IX and its corresponding procedures. Incidents involving University students, staff and faculty which fall outside the Title IX jurisdiction will be conducted pursuant to POL-U1600.02, Ensuring Equal Opportunity and Prohibiting Discrimination and Retaliation, and its corresponding procedure, 1600.02A. All relevant procedures provide an administrative complaint process (not legal or criminal) for prompt, equitable and impartial investigation and resolution of sexual misconduct complaints. The following narrative summary describes the current practice and steps taken when handling any complaint of sexual violence (sexual assault, dating violence, domestic violence, or stalking). POL-U1600.02 is currently under revision, and the most current version of the Procedure can always be found online at crtc.wwu.edu/process/policies.

Right to an Advisor

In all grievance proceedings, complainants and respondents have the right to an advisor and/or support person. This includes the right to be accompanied to any meeting under the procedure or subsequent disciplinary proceedings by an advisor or support person of the party's choice. For students who have experienced sexual misconduct, this includes the right to a support person from CASAS. For unionized employees, this includes the right to have a union representative present. During proceedings with the CRTC Director, Investigator or designee, advisors and support people may communicate with the

individual they are present to support; their role is not to speak on behalf of the party. Under POL-U1600.04, if either party does not have an advisor, the University will provide an advisor at no cost to the party. The advisor may be, but does not have to be, an attorney. Advisors are required to conduct cross examination on behalf of their party during live hearings or appeals processes under POL-U1600.04.

Amnesty for Students in Cases of Sexual Misconduct

Complainants and witnesses who in good faith report sexual violence, will not be subject to alcohol or drug violations of the Student Code occurring at or near the time of the sexual violence, unless their own conduct placed another person's health or safety at risk. Without imposing sanctions, Western may initiate educational remedies regarding alcohol or drug use. (WAC 516-21-055).

Time limit extensions

Time limits set forth in PRO-U1600.02 and outlined below may be extended by the ED at their discretion, or upon written application to the ED by the complainant, respondent, or the unit Vice President or Dean. The Vice Provost shall inform the parties when extensions of the time limits are made.

Filing the complaint

Under 1600.04, the resolution processes are initiated when the CRTC receives a written complaint alleging that a respondent(s) sexually harassed a complainant and requesting that the University initiate an investigation (a Formal Complaint). A Formal Complaint must be either submitted by the complainant or signed by the ED on behalf of the complainant. Formal complaints submitted to the ED may be resolved through either informal or formal resolution processes. The University will not proceed with either resolution process without a Formal Complaint.

Supportive Measures

Individuals involved in a discrimination or harassment complaint have a right to supportive measures and resources. Supportive measures are non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the Complainant or Respondent regardless of whether the Complainant or the ED has filed a formal complaint. Supportive measures restore or preserve a party's access to WWU's education programs and activities without unreasonably burdening the other party, as determined through an interactive process between the ED and the party. Supportive measures include measures designed to protect the safety of all parties and/or WWU's educational environment and/or to deter sexual harassment or retaliation. Supportive measures may include, but are not limited to:

- counseling and other medical assistance
- extensions of deadlines or other course-related adjustments,
- modifications of work or class schedules,
- leaves of absence,
- increased security or monitoring of certain areas of campus, and
- imposition of orders prohibiting the parties from contacting one another in housing or work situations. Determinations about whether to impose a one-way no contact order must be made on a case-by-case basis.

Available Services

Confidential support resources are available to students through services provided by university psychologists, mental health counselors, survivor advocates, and other health care professionals, and to faculty and staff via the Employee Assistance Program. Some off-campus reports may also be legally privileged, such as reports to clergy, private legal counsel, or health care professionals. A standardized document informing the University community of the available reporting options and supportive measures are made provided to the campus community in [Attachment to POL-U1600.04. Support Services and Reporting Options for People Who Experience Sexual Misconduct](#). The CRTC provides this document directly to all impacted individuals when reports of sexual misconduct are made to the CRTC.

Determining Jurisdiction

Within ten (10) working days of the case filing date, the ED or their designee determines whether the facts alleged in the complaint fall within the jurisdiction of the CRTC and which policies may be implicated. If upon initial inquiry, the allegation(s) do not implicate a violation of CRTC policies, or if there are sufficient grounds for dismissal (as outlined in PRO-U1600.04A) the complainant will be notified in writing of the CRTC's decision to not move forward with a formal investigation.

Steps Taken to Proceed with Complaint

Complaint procedures will commence in accordance with the policies which are implicated in the formal allegations. Under both POL-U1600.02 and POL-U1600.04, the ED or their designee:

- i) Provides a copy of the complaint to the respondent(s), together with a copy of the Discrimination Complaint Procedures, and request a written response to the allegations;
- ii) Informs the appropriate Vice President(s) and the complainant(s)' and respondent(s)' Dean or unit head of the complaint;
- iii) Consults with the complainant, the department chair or unit head, and the respondent(s), all of whom may identify other persons having personal knowledge of the alleged incidents and all of whom will be advised not to disclose information about the allegation outside the complaint process.

Written Response may be Filed

Within ten (10) working days after receiving notification of the complaint, the respondent may submit to the ED a written response to the complainant's allegations. The respondent is encouraged to provide a written response; however, refusal to answer a charge or to participate in an investigation will not prevent the process from proceeding. Refusal to respond may result in the investigation proceeding solely on the basis of the complainant's testimony and evidence.

Investigation and Report

After determining jurisdiction, the ED or their designee follows procedures under POL-U1600.02 or POL-U1600.04 as appropriate:

- i) The CRTC reviews the respondent(s) response and conducts an investigation. The investigation includes interviewing the complainant and respondent. The investigation may also include interviewing those persons identified by the parties as having personal knowledge of the alleged incidents and others identified in the investigation whose testimony may shed light on the complaint, and collecting and reviewing relevant documents and materials;
- ii) If the alleged conduct was a violation of 1600.02, the CRTC will prepare a written investigative report which explains the investigation process, summarizes the information obtained, and makes findings of fact and determines whether there has been a violation of the University 1600.02. The standard of evidence used by the CRTC in investigating allegations of policy violation is a preponderance of evidence (i.e., that it is more likely than not that the allegations are true);
- iii) If the alleged conduct was a violation of 1600.04 (under Title IX jurisdiction) the CRTC will prepare a written investigative report which explains the investigation process, summarizes the information obtained, including both inculpatory and exculpatory evidence. The ED or designee provides a copy of the investigative report to the complainant(s), respondent(s), the appropriate Vice President, and the appropriate dean. The standard of evidence used by the CRTC in investigating allegations of policy violation is a preponderance of evidence (i.e., that it is more likely than not that the allegations are true).

Confidentiality and Its Limitations

Discretion in the sharing of information is essential in matters involving allegations of illegal discrimination. Improper disclosure of information by the parties involved may be the basis for claims of unprofessional conduct, student conduct code violations, or charges of slander and retaliation. This does not limit the right of complainants or respondents to access support resources, consult with advisors, or participate in related investigations (such as a criminal, or external agency investigation).

The CRTC utilizes discretion in sharing information regarding matters under POL-U1600.04 and POL-1600.02. However, complete confidentiality cannot be guaranteed. Information provided to the CRTC may be shared with leadership and other individuals in order to investigate and resolve the matter, and as necessary to keep members of the campus community safe. By law, CRTC records may be subject to release following a public records request, request from an external agency, or court order. In addition, the number of sexual assaults (without any personalizing information) will be provided for the university's Annual Security Report, as required by the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act or other applicable law.

Review and Sanctions

Specific processes for reviewing the investigative report and determinations are outlined under POL-U1600.04 for Title IX policy violations, and POL-U1600.02 for non-Title IX policy violations.

When the respondent is a student, any discipline is imposed by the Student Conduct Officer, to whom this responsibility is delegated by Vice President for Enrollment and Student Services. The student conduct officer considers the final report and makes a finding as to whether the Student Conduct Code was violated and imposes sanction(s) as appropriate. Possible sanctions for students are: warning; conditional status; loss

of privileges; no-contact orders; requirement to engage in educational activities, assessment, counseling or treatment; requirement to provide restitution; campus housing relocation or termination; suspension or deferred suspension from the University, and; expulsion from the University.

When an investigation is conducted involving a faculty or staff respondent, the CRTC or their designee provides a copy of the written investigative report to the Vice President of the organizational unit in which the respondent is employed (and to the dean, if applicable), and the Vice President determines any appropriate sanctions, in consultation with CRTC and Human Resources. Possible sanctions for employees include written reprimand, leave without pay, a reduction of job responsibility or demotion, and termination of employment.

Retaliation Prohibited

The University prohibits retaliation or encouraging others to retaliate against anyone reporting or believed to have reported a violation of this policy, or who is otherwise involved in a grievance proceeding as a witness, advisor or support person, or process personnel. Retaliation will be considered as a separate action, under POL-U1600.02, whether or not the original complaint is substantiated. WWU will take responsive action if retaliation occurs.

Alternate Complaint Processes

A person who believes that they have been the subject of discrimination or harassment, including sexual violence, prohibited by state or federal law, may choose to file a discrimination complaint by contacting the appropriate state or federal agency, including the U.S. Department of Education, Office for Civil Rights and the Equal Employment Opportunity Commission.

Discrimination Complaint Procedure

POL-U1600.02 ENSURING EQUAL OPPORTUNITY AND PROHIBITING DISCRIMINATION AND RETALIATION

Introduction:

Western Washington University is committed to equity and justice, and respect for the rights and dignity of all persons in all that we do. Our strategic goals express that deep commitment. We foster a caring and supportive environment where people are respected and treated fairly. We pursue justice and equity in our policies, practices, and impacts. We commit to providing a learning, living, and working environment free from discrimination and harassment. To fulfill these commitments and advance our core institutional goals, this policy prohibits discrimination and harassment, based on protected status and retaliation.

In addition to having employee mandatory reporting requirements, the University strongly encourages those who have experienced, witnessed, or become aware of conduct that violates this policy to come forward promptly so that the University can take appropriate steps to prevent such conduct from occurring in the future and to ameliorate its effects. The University will protect the privacy of those who come forward to the extent possible and permissible by law.

Purpose and Jurisdiction:

This policy applies to complaints which allege discrimination or harassment based on protected statuses as defined in this policy and complaints of retaliation.

With respect to allegations of sexual or gender-based misconduct, this policy applies to allegations that fall outside the definitions or jurisdiction of the University's Title IX Policy, POL- U1600.04. The University's Office of Civil Rights and Title IX Compliance (CRTC) will determine, based upon the definitions in and jurisdictional requirements of each policy, whether this policy or POL-U1600.04 applies to a specific allegation.

To be considered within the jurisdiction of this policy, the allegations of the concern or complaint presented, if true, must be, wholly or in part, potential violations of this policy and not be governed exclusively by another University policy.

There is no specific timeframe in which a complaint must be made. However, to facilitate a prompt and timely investigation, complaints should be brought forward to the Office of Civil Rights & Title IX (CRTC) as soon as possible after the alleged act of discrimination, harassment, or retaliation. All such incidents should be reported regardless of the amount of time that has passed since the alleged violation. Delay in reporting may inhibit the CRTC's ability to investigate or the university's ability to provide prompt corrective action.

Definitions:

Coercion:

Unreasonable pressure for sexual activity. When someone makes clear that they do not want to engage in certain sexual activity, that they want to stop, or that they do not want to go past a certain point of sexual

interaction, continued pressure beyond that point can be coercive. Using blackmail or extortion to gain consent is also coercion. Sexual activity that is forced is, by definition, non-consensual, but non-consensual sexual activity is not necessarily forced.

Complainant:

An individual who was at the time of the alleged conduct participating in the educational program or activity of or employed by the University and who is alleged to be the victim of conduct that could constitute discrimination.

Confidential Resources:

Providers of medical or mental health services, sexual assault and domestic violence advocacy, or other professional services protected by legal privilege.

Consent:

Knowing, voluntary, and clear permission by word or action, to engage in mutually agreed upon sexual activity. Each party has the responsibility to make certain that the other has consented before engaging in the activity. For consent to be valid, there must be at the time of the act of sexual intercourse or sexual contact actual words or conduct indicating freely given agreement to have sexual intercourse or sexual contact. Silence or the absence of resistance alone is not consent. Consent is not demonstrated by the absence of resistance. While resistance is not required or necessary, it is a clear demonstration of non-consent.

Consent is ongoing and can be withdrawn or revoked at any time. Ongoing consent requires ensuring freely given consent for changes or escalation of sexual activity during a sexual encounter. Because a person has previously consented to a sexual activity or sexual act does not indicate they have given consent for future sexual activity.

A person cannot consent if they are:

- a) unable to understand what is happening or are disoriented, helpless, asleep, or unconscious for any reason, including the influence of alcohol or another substance, or some other cause.
- b) forced or coerced to participate in the sexual activity. An individual who engages in sexual activity when the individual knows, or should know, that the other person is physically or mentally incapacitated has engaged in nonconsensual conduct. Intoxication is not a defense against allegations that an individual has engaged in nonconsensual sexual conduct.

Dating Violence:

Physical violence, bodily injury, assault, the infliction of fear of imminent physical harm, sexual assault, or stalking committed by a person (i) who is or has been in a social relationship of a romantic or intimate nature with the victim; and (ii) where the existence of such a relationship shall be determined based on a consideration of the following factors:

- a) The length of the relationship;
- b) The type of relationship; and
- c) The frequency of interaction between the persons involved in the relationship.

Discrimination:

Disparate Treatment: Unfavorable treatment of a person based on that person's protected status or perceived protected status. Discriminatory harassment is a form of disparate treatment discrimination.

Disparate Impact: Neutral policies or practices that have a disproportionate, adverse impact on a group or population based on protected status when the policy or practice lacks substantial legitimate justification.

Failing to provide reasonable accommodation, consistent with state and federal law, to persons with disabilities.

Discrimination Complaint Procedure:

The process WWU uses to initiate, informally resolve, and/or investigate allegations that an employee or student has violated this policy's prohibitions against discrimination, harassment, sex/gender misconduct, or retaliation.

Discriminatory Harassment:

Discriminatory harassment is unwelcome conduct, directed at a person because of their protected status, that is severe, persistent, or pervasive, and has the purpose or effect of:

- a) Unreasonably interfering with an individual's work or academic performance; or
- b) Interfering with or limiting the ability of an individual to participate in or benefit from the services, activities or privileges provided by the University; or
- c) Creating an intimidating, hostile, or offensive work, educational, co-curricular, or University living environment, and would have such an effect on a reasonable person taking into consideration the relevant particularized characteristics, perspectives, identities, and circumstances of the person subjected to the conduct.

Discriminatory harassment may include but is not limited to: verbal abuse; epithets or slurs; negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; insulting or obscene comments or gestures; and the display or circulation of written or graphic material (including in hard copy, by email or text, through virtual platforms or social media) that denigrates or shows hostility or aversion toward an individual or individuals based on their protected status. Calls, texts, emails, virtual platforms and social media usage by employees can contribute to a hostile work, learning, or living environment, even if they occur away from the workplace premises or outside work hours. Sexual harassment and other gender-based harassment, described further below, are specific forms of discriminatory harassment.

Domestic Violence:

Physical violence, bodily injury, assault, the infliction of fear of imminent physical harm, sexual assault, or stalking committed by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the State of Washington, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the State of Washington, RCW 26.50.010.

Education Program or Activity:

Locations, events, or circumstances in which WWU exercised substantial control over both the Respondent and the context in which the alleged discrimination or harassment occurred. It also includes any building or property owned or controlled by a student organization officially recognized by WWU.

Force:

The nonconsensual use of physical violence and/or physical imposition to gain sexual access. Force also includes threats, intimidation (implied threats), and coercion that is intended to overcome resistance or produce consent.

Formal Complaint:

A writing submitted by the Complainant or signed by the Director of CRTC or Designee alleging discrimination, harassment, retaliation against a Respondent and requesting that WWU investigate.

Gender-Based Harassment:

Gender-based harassment includes nonsexual acts of verbal, nonverbal, or physical aggression, intimidation, or hostility based on a person's gender or nonconformity with gender stereotypes. Such acts or hostility constitute gender-based harassment when:

Such conduct is severe, persistent, or pervasive, and has the purpose or effect of:

1. Unreasonably interfering with an individual's work or academic performance; or
2. Interfering with or limiting the ability of an individual to participate in or benefit from the services, activities or privileges provided by the University; or
3. Creating an intimidating, hostile, or offensive work, educational, co-curricular, or University living environment, and would have such an effect on a reasonable person taking into consideration the relevant particularized characteristics, perspectives, identities, and circumstances of the person subjected to the conduct.

Incapacitation:

The physical or mental inability to make informed, rational judgments; to evaluate or control conduct; or communicate or grant consent. Incapacitation is created when the individual is unconscious, asleep, intoxicated, or under the influence of other drugs or is, for any other reason, physically, mentally or legally unable to communicate or grant consent. Incapacitation is not the same as legal intoxication.

A party who engages in sexual conduct with a person who is incapacitated when a reasonable sober person in similar circumstances would have known the person to be incapacitated is responsible for sexual misconduct. It is not a defense that the responding party's belief in affirmative consent arose from their intoxication.

Protected Status:

Race, ethnicity, color, national origin, age, citizenship or immigration status, pregnancy, use of protective leave, genetic status, sex, sexual orientation, gender identity, gender expression, marital status, creed, religion, veteran or military status, disability or the use of a trained guide dog or service animal by a person with a disability.

Reasonable Person:

A hypothetical person similarly situated considering the relevant particularized characteristics, perspectives, identities, and circumstances of the person subjected to the conduct, when using an ordinary degree of reason, prudence, care, foresight, or intelligence whose conduct, conclusion, or expectation in relation to a particular circumstance or fact is used as an objective standard by which to measure or determine something.

Respondent:

An individual who is at the time of the complaint participating in the educational program of or employed by the University and who has been reported to be responsible for conduct that could constitute discrimination while a student or employee of the University. In those cases where a respondent is a student who is employed by the university in a position which is contingent on their status as a student, e.g., a research or teaching assistant, or student government employee, and the alleged conduct took place during work hours, findings and determinations will be referred to the Office of Student Life for disciplinary action, and further employment action may follow a finding of responsibility for violating the Code of Student Conduct.

Retaliation:

Adverse action, which may include intimidation, threats, coercion, or discrimination against any individual because the individual has (or is perceived to have) made a report or complaint, or participated in an investigation, proceeding, or hearing under this policy.

Sexual Assault:

Sexual assault includes the following conduct:

a) Nonconsensual Sexual Intercourse:

Any actual or attempted sexual intercourse (anal, oral, or vaginal), however slight, with any object or body part, by a person upon another person, that is without consent or capacity to consent, and/or by force. Sexual intercourse includes anal or vaginal penetration by a penis, tongue, finger, or object, or oral copulation by mouth to genital contact or genital to mouth contact.

b) Nonconsensual sexual contact:

Any actual or attempted sexual touching, however slight, with anybody part or object, by a person upon another person that is without consent and/or by force. Sexual touching includes any bodily contact with the breasts, groin, mouth, or other bodily orifice of another individual, or any other bodily contact in a sexual manner.

c) Incest:

Sexual intercourse or sexual contact with a person known to be related to them, either legitimately or illegitimately, as an ancestor, descendant, brother, or sister of either wholly or half related. Descendant includes stepchildren and adopted children under the age of eighteen (18).

d) Statutory Rape:

Consensual intercourse between a person who is eighteen (18) years of age or older, and a person who is under the age of sixteen (16).

Sexual Exploitation:

Non-consensual abuse or exploitation of another person's sexuality for the purpose of sexual gratification, financial gain, personal benefit or advantage, or any other illicit purpose.

Examples of sexual exploitation may include, but are not limited to: observing another individual's nudity or sexual activity or allowing another to observe nudity or sexual activity without the knowledge and affirmative consent of all participants; non-consensual streaming of images, photography, video, or audio recording of sexual activity or nudity, or distribution of such without the knowledge and affirmative consent of all participants; exposing one's genitals in non-consensual circumstances; and inducing incapacitation for the purpose of making another person vulnerable to non-consensual sexual activity. Under certain circumstances sexual exploitation could constitute sexual harassment under Title IX.

Sexual Harassment:

Any unwelcome sexual advance, request for sexual favor, or other verbal, nonverbal, electronic, or physical conduct of a sexual nature, or based on sex or gender, when:

a) Quid Pro Quo:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, academic, co-curricular or campus life activities; or
2. Submission to or rejection of such conduct by an individual is used as the basis for employment or education-related decisions affecting such an individual; or,

b) Hostile Environment:

Such conduct is severe, persistent, or pervasive, and has the purpose or effect of:

1. Unreasonably interfering with an individual's work or academic performance; or
2. Interfering with or limiting the ability of an individual to participate in or benefit from the services, activities or privileges provided by the University; or
3. Creating an intimidating, hostile, or offensive work, educational, co-curricular, or University living environment, and would have such an effect on a reasonable person taking into consideration the relevant particularized characteristics, perspectives, identities, and circumstances of the person subjected to the conduct.

Stalking:

Engaging in a course of conduct directed at a specific person that would cause a reasonable person taking into consideration the relevant particularized characteristics, perspectives, identities, and circumstances of the person subjected to the conduct to (a) fear for their safety or the safety of others; or (b) suffer substantial emotional distress.

Student:

Any person who:

- a) Has been formally admitted to the University;

- b) Is enrolled in one or more classes at the university, including nonmatriculated international students attending language institutes or foreign study programs;
- c) Is participating in a certificate, degree, distance learning, or professional enrichment program, through extended education and summer programs;
- d) Is participating in a university-sponsored study abroad program;
- e) Was enrolled in a prior quarter or summer session at the university and is eligible to continue enrollment in the quarter or summer session that immediately follows; or
- f) Withdrew from the university after an alleged violation of the Student Conduct Code, for conduct that occurred while they were enrolled in or participating in a program offered by the university [WAC516-21-020]

Interim Suspension:

An emergency suspension of a student Respondent pending investigation and resolution of disciplinary proceedings pursuant to the procedure and standards set forth in WAC 516-21-260

Supportive Measures:

Non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the Complainant or Respondent regardless of whether the Complainant or the Director of CRTC has filed a formal complaint. Supportive measures restore or preserve a party's access to WWU's education programs and activities without unreasonably burdening the other party, as determined through an interactive process between the CRTC Office and the party. Supportive measures include measures designed to protect the safety of all parties and/or WWU's educational environment and/or to deter sexual harassment or retaliation.

Supportive measures may include, but are not limited to:

- counseling and other medical assistance,
 - extensions of deadlines or other course-related adjustments,
 - modifications of work or class schedules,
 - leaves of absence,
 - increased security or monitoring of certain areas of campus, and
 - imposition of orders prohibiting the parties from contacting one another in housing or work situations.
- Determinations about whether to impose a one-way no contact order must be made on a case-by-case basis

1. The University is Committed to Ensuring Equal Opportunity and Prohibiting Unlawful Discrimination in All Aspects of Employment and for Students in Educational and Extracurricular Programs and Activities

Discrimination or harassment of any kind based on a protected status is prohibited under this policy.

All members of the University community are expected to create and maintain an environment that is free of discrimination and harassment and in which employees, students, applicants, and visitors are treated with dignity and respect.

The CRTC Office will respond to all oral, written, and electronic concerns or complaints of conduct that may violate this policy.

Western reserves the right to address unwelcome and/or disruptive conduct that does not violate the provisions of this policy. Addressing such conduct will not result in the imposition of discipline under this policy, but discipline may be pursued under other University policy (i.e., student code, faculty handbook, employee handbook, etc.) as appropriate. Such behavior may additionally be addressed through remedial actions, education, conflict resolution, coaching, and/or other informal resolution mechanisms.

For assistance with conflict resolution and other informal resolution techniques and approaches, employees should contact the Office of Human Resources, and students should contact the Office of Student Life.

2. The President, as Delegate of the Board of Trustees, Ensures the University Shall Comply with Applicable Civil Rights Laws

a) The President delegates chief responsibility for compliance with civil rights laws to the Director, Office of Civil Rights and Title IX Compliance. Vice Presidents are responsible for ensuring compliance with this policy within their divisions.

b) Director, Office of Civil Rights and Title IX Compliance shall:

1. In collaboration with other units, develop, monitor, and enforce University policies governing recruitment and selection to remove barriers to equal employment opportunity and prevent unlawful discrimination.
2. Oversee the investigation of complaints of discrimination, and issue investigative reports to the appropriate officers of the university for action.
3. In collaboration with other units, ensure fairness and equity in the administration of personnel actions such as hiring, promotion, separation, compensation, benefits, transfers, layoffs, returns from layoff, discipline, University- sponsored training, education, tuition assistance, and social or recreational programs.
4. In collaboration with other units, ensure equal opportunity in the recruitment and admission of students, and in the operation of all University programs, activities, and services.
5. Cooperate with federal and state agencies in fulfilling University obligations under civil rights laws of the United States and the State of Washington.

3. The University Provides a Procedure for Investigating Complaints of Discrimination and Seeking Assistance

The University is committed to resolving complaints and concerns of discrimination, including harassment, at the earliest and most informal level, depending on the nature of the complaint. It is also committed to conducting investigations in a timely and effective manner, adhering to the principles of due process in all investigations, and providing prompt corrective action if discrimination is found to have occurred. No individual shall be penalized or retaliated against in any way by a member of the university community for their participation in this complaint procedure.

Individuals who believe they have been subject to discrimination or harassment based on a protected status are encouraged to contact the CRTC Office, Western Washington University, Old Main 345, MS 9021, 516 High Street, Bellingham, WA 98225; 360.650.3307 (voice) or 711 (Washington Relay); crtc@wwu.edu. Director of the CRTC is the University's Title IX and ADA Coordinator.

- a) Complaints of discrimination will be promptly and equitably addressed. See PRO- U1600.02A Discrimination Complaint Procedure.
- b) Director, CRTC, designees, and other University officials can take proactive steps to prevent harassment from continuing or escalating and to protect or otherwise assist the parties involved.
- c) CRTC provides complainants and respondents with process information and relevant resources throughout the initiation, investigation, and resolution of a complaint. CRTC also provides general information on resources pertaining to alleged discrimination and/or harassment violations.

4. Complaint Parties have the Right to an Advisor or Support Person

In all proceedings under this procedure, complainants and respondents have the right to and will be provided with the same opportunities to have other individuals present. This includes the right to be accompanied to any meeting under this procedure by an advisor and/or support person of the individual's choice. For unionized employees, this includes the right to have a union representative present. During proceedings under this procedure, advisors and support people may communicate with the individual they are present to support but may not directly address the investigator.

5. The Director of Civil Rights and Title IX Compliance Acts with Independence and Authority Free from Bias and Conflicts of Interest.

The Director of CRTC oversees all resolutions under this policy and acts to ensure that all Western representatives act with objectivity and impartiality and are assessed with respect to conflicts of interest and/or potential bias.

Concerns or reports of misconduct or discrimination committed by the Director, CRTC should be reported to President or the Office of Compliance. Reports of misconduct or discrimination committed by any other administrator involved in the resolution process should be reported to the ED.

6. Protected Speech is Not a Violation of this Policy

When speech or conduct is protected by academic freedom and/or the First Amendment, it will not be considered a violation of Western policy, though support may be offered to those impacted.

Western recognizes that conduct which does not violate this policy may still have the potential to impact individuals. Where conduct does not violate this policy, Western may still engage in proactive steps to provide support, resources, and alternative or educational programming to address concerns. Conduct which does not violate this policy may still be a violation of another University policy or professional code.

7. CRTC finds Facts by Preponderance Standard and Assesses Conduct Severity by Objective and Subjective Factors

Allegations of discrimination and supporting evidence will be assessed by application of a preponderance of evidence standard. This is the standard of evidence used in formal investigations of alleged discrimination. The standard is whether it is "more likely than not" that allegation(s) occurred. If the facts found to be true

by application of this standard meet the policy definitions of prohibited conduct, a violation of the policy will be found.

CRTC will determine whether alleged discriminatory harassment was severe, persistent or pervasive based on both subjective and objective factors, and the totality of the circumstances surrounding an alleged incident or course of conduct. The University will determine whether the conduct created a hostile environment by examining whether a reasonable person would find the environment hostile or abusive, taking into consideration the relevant particularized characteristics, perspectives, identities, and circumstances of the person subjected to the conduct.

8. Online Harassment and Misconduct is Prohibited

Any online postings or other electronic communication by students, including cyber-bullying, cyber-stalking, cyber-harassment, etc., which occurs within the institution's control (e.g. on Western networks, websites, or using Institution email accounts) will be subject to this policy. When such online conduct occurs outside of Western's control, we reserve the right to act when the behavior can be shown to cause a substantial on-campus disruption.

Off-campus discriminatory or harassing speech by employees, whether online or in person, may be regulated by the University only when such speech is made in an employee's official or work-related capacity.

9. The University Prohibits Retaliation

The University prohibits retaliation or encouraging others to retaliate against anyone who has either made a complaint or otherwise participated in an investigation. Retaliation will be considered as a separate basis for the filing of a complaint under this policy, whether the original allegation is substantiated. WWU will take responsive action if retaliation occurs.

This policy provision covers anyone reporting or thought to have reported a violation of Western anti-discrimination or retaliation policies or who has otherwise participated in a resolution process as a witness, complainant, respondent, support person, advisor, or any personnel involved in an informal or formal complaint process.

10. University to Provide Interim Measures: Safety Concerns - Support and Resource Referrals

During and after CRTC's initial meeting with the complainant, CRTC will assess whether immediate action should be taken, including interim measures, to protect the safety of the parties involved and/or other members of the university community. Other university offices, including University Police, Office of Student Life, University Residences, and Human Resources, may be contacted in the event of a safety concern, or to coordinate an interim measure. CRTC may facilitate interim measures to ensure safety and limit the impacts of alleged discrimination while an investigation or informal resolution is ongoing.

Interim supportive measures are non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the complainant or respondent regardless of whether the complainant or the Director or designee has filed a formal complaint. Supportive measures restore or preserve a party's access to WWU's education programs and activities without unreasonably burdening the other party, as determined through an interactive process between the Director or designee and the party.

CRTC will share information with the parties involved about available resources that may be helpful, including the Counseling Center, Consultation and Sexual Assault Support (CASAS), Domestic Violence and Sexual Assault Services (DVSAS), and the Employee Assistance Program (EAP).

Supportive measures and reporting options are provided for individuals affected by sexual or gender-based harassment, or other sexual misconduct including sexual assault, whether a formal complaint is made. If supportive measures are not provided, the Director, CRTC, must document in writing why this decision was clearly reasonable under the circumstances. Supportive measures for students will be coordinated through the Office of Student Life. Supportive measures taken by WWU on behalf of parties to a sexual or gender-based harassment, sexual assault matter, or other sexual misconduct will be shared by WWU only to the extent reasonably necessary to carry out the terms of the protective or supportive measure or accommodation.

Confidential support resources are available to students through services provided by WWU psychologists, mental health counselors, survivor advocates, and health care professionals; confidential support resources are available to employees through the Employee Assistance Program. Reports to some off-campus support personnel may also be legally privileged, such as reports to clergy, private legal counsel, or health care professionals.

11. Employees Must Promptly Report Discriminatory Conduct and/or Retaliation to the CRTC office if They Know of Actual or Suspected Incidents

- a) Except for confidential providers, all employees must report known and/or reported incidents of sexual misconduct to their supervisor or the CRTC. Student staff with supervisory or evaluative responsibilities are also required to report.
- b) All supervisors are expected to immediately report to CRTC any unlawful discrimination or harassment that they observe or learn about in their areas. Failure to report may constitute a separate violation of this policy.
- c) Individuals should not wait to report conduct of concern until it becomes sufficiently serious to create a hostile environment. Individuals with discrimination or harassment concerns who are comfortable doing so are encouraged to discuss their concerns with the appropriate supervisor or department chair in an attempt to resolve the issue informally.
- d) Individuals with discrimination and harassment concerns may tell the offending person directly that their behavior is inappropriate and to request that they stop the conduct. Individuals are not required to first speak directly with the person engaging in the offending conduct before making a report to their supervisor, department chair, or the CRTC.

12. The University Provides Amnesty for Students in Certain Situations

Complainants and witnesses who in good faith report sexual misconduct will not be subject to alcohol or drug violations of the Code occurring at or near the time of the sexual violence or misconduct unless their own conduct placed another person's health or safety at risk.

Without imposing sanctions, Western may initiate educational remedies regarding alcohol or drug use.

13. Confidential Information Shall be Handled with Utmost Care

CRTC handles concerns and complaint information as privately as possible. Although complete confidentiality cannot be guaranteed, CRTC uses discretion in sharing information and shares only on a

strict need to know basis. Information provided to the CRTC may be shared with leadership and other individuals in order to investigate and resolve the matter, and as necessary to keep members of the campus community safe. CRTC shares only as much information as is necessary to meet the legitimate need for the information. By law, CRTC records may be subject to release following a public records request, request from an external agency, or court order. In addition, the number of sexual assaults (without any personalizing information) will be provided for the university's Annual Security Report, as required by the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act or other applicable law.

Discretion in the sharing of information is important in matters involving allegations of discrimination to protect the integrity of the investigation and involved parties. This does not limit the right of complainants or respondents to access support resources, consult with advisors, or participate in related investigations (such as a criminal, or external agency investigation).

Certain types of information are privileged and confidential, such as medical and counseling records. Individuals reporting possible violations of this policy may but are not required to provide this type of information. If it is provided and it is relevant and relied upon by CRTC in its investigation, it will become part of the complaint record and may be shared with the other party to the extent sharing of such information is otherwise required.

14. Employees are Required to Cooperate with Investigations

All University employees are expected to fully cooperate with University complaint investigations and do so in good faith and truthfully.

If, at the conclusion of an investigation, it is determined that a complainant, respondent, or witness knowingly gave false or misleading information, it may be recommended that the individual be subjected to disciplinary action which may include, but is not limited to, written warning, demotion, transfer, suspension, dismissal, expulsion, or termination.

15. Filing a False Complaint May be Subject to Sanctions or Discipline

Filing a false complaint is considered to be serious misconduct and such offenses will be subject to the full range of sanctions and disciplinary measures. A finding that discrimination did not occur may reflect that there was not sufficient evidence to find that it did occur and will not in itself be the basis for a charge of false complaint.

16. The University Provides Alternative Complaint Processes

a) Internal- A complainant may not elect to use other internal grievance procedures (such as labor agreement grievance procedure) for complaints pertaining to alleged violations of University Policies on Discrimination and harassment.

A complainant alleging sexual violence or other forms of discrimination that may constitute criminal behavior may make a report to University Police or any law enforcement agency that has jurisdiction over the respondent, instead of or in addition to making a complaint under this Procedure.

b) External- A person who believes that they have been the subject of discrimination prohibited by state or federal law may choose to file a discrimination complaint by contacting one of the following agencies within their established time limits:

Washington State Human Rights Commission

711 S. Capitol Way, #402
P.O. Box 42490
Olympia, WA 98504-2490
Phone: (800) 233-3247 TTY: (800) 300-7525

U.S. Equal Employment Opportunity Commission

Seattle Field Office
909 First Avenue, Suite 400
Seattle, WA 98104-1061
Phone: (844) 234-5122

U.S. Equal Employment Opportunity Commission

131 M Street, NE
Washington, DC 20507
Phone: (202) 921-3191
TTY: (202) 669-6820

U.S. Department of Education**Office for Civil Rights**

915 Second Avenue, Room 3310
Seattle WA 98174-1099
Phone: (206) 607-1600 TDD: (800) 877-8339

U.S. Department of Education**Office for Civil Rights**

Lyndon Baines Johnson Department of Education Bldg.
400 Maryland Avenue, SW
Washington, DC 20202-1100
Phone: (800) 421-3481 TDD: (800) 877-8339

U.S. Department of Labor**Office of Federal Contract Compliance Programs**

Seattle District Office
300 Fifth Avenue, Suite 1100
Seattle, WA 98104
Phone: (206) 398-8005

U.S. Department of Labor**Office of Federal Contract Compliance Programs**

Frances Perkins Building
200 Constitution Ave., NW
Washington, DC 20210
Phone: (800) 397-6251 TTY: (877) 889-5627

Student Conduct Code

Western Washington University students enjoy the same basic rights, privileges, and freedoms granted to all members of society. At the same time, acceptance of admission to the university carries with it an obligation to fulfill certain responsibilities and expectations as a member of the Western Washington University community.

As a condition of enrollment at Western, students must assume responsibility for their own actions and maintain an environment conducive to the academic success, safety, and well-being of others. In addition, they are expected to be truthful, respect the rights of others, and abide by all university policies and procedures, as well as all local, state, and federal laws and regulations. All students are responsible for understanding and complying with the responsibilities and expectations set forth in this code.

The student conduct process at Western is designed to be a learning process that promotes an understanding of students' responsibilities as members of the university community.

The objectives of the student conduct system, as set forth in this code, are twofold: to ensure that students act in a manner consistent with high standards of behavior, and to maintain the safety and well-being of all members of the university community.

Any member of the university community may file a complaint against a student for a violation of the student conduct code. A complaint should be made in writing to the Office of Student Life (student.life@wwu.edu).

The University will apply a preponderance of evidence standard to determine violations of the Student Conduct Code.

The Student Conduct Code applies to all conduct that occurs on university property or in connection with any official university function. Western Washington University does not act as a policing agent for students when they are off campus. However, the university reserves the right to take action if a student's conduct is determined to adversely affect a substantial university interest.

Student conduct that occurs off campus may be subject to the student conduct code when it:

- (a) Adversely affects the safety or well-being of any member of the university community; or
- (b) Involves academic work or any records, documents, or identifications of the university.

In determining whether to exercise jurisdiction over such conduct, a conduct officer shall consider the seriousness of the alleged offense, the risk of harm involved, and whether the alleged complainant(s) are members of the university community. Any question of interpretation or application of jurisdiction shall be referred to the dean of students for final determination.

Students are responsible for their conduct from the time they have confirmed their enrollment at Western through the awarding of their degree. This includes conduct that occurs before classes begin, after classes end, and during periods between actual terms of enrollment. Students who are found to be in violation of the code may be subject to sanctions under the code.

A student with a pending conduct violation may not avoid the conduct process by withdrawing from the university. In these circumstances, a conduct hold will be placed on the student's official record, preventing them from registering for classes, requesting an official transcript, or receiving a degree from the university.

This hold will remain in place until the student has met with the conduct officer to discuss the alleged conduct violation(s).

WAC 516-21-030

Alleged violations of the Code will be resolved through the student conduct process, respecting fairness and due process for all involved parties. Students accused of violating the Code have the following rights: to receive prior written notice to attend meetings with a conduct office or appeals board; to provide evidence on their own behalf; to be accompanied by an advisor; to remain silent or decline to answer any question(s); to review information relied upon by the conduct officer or appeals board in making a determination; to receive written notification of the findings, decision, and basis for each; to request an appeal of a decision by a conduct officer; and to request a review of an appeal.

An individual who has filed a complaint alleging violence or sexual violence, including sexual assault, dating violence, domestic violence, and stalking or any other type of sexual misconduct or gender-based discrimination have the following rights: to receive prior written notice to attend meetings with a conduct office or appeals board; to provide evidence on their own behalf; to be accompanied by an advisor; to remain silent or decline to answer any question(s); to review information relied upon by the conduct officer or appeals board in making a determination; to receive written notification of the findings, decision, and basis for each; to request an appeal of a decision by a conduct officer; and to request a review of an appeal.

Additionally, an individual who has filed a complaint alleging sexual violence, including sexual assault, dating violence, domestic violence, and stalking or any other type of sexual misconduct or gender-based discrimination have the following additional rights: to be notified of the availability of counseling, academic support, and general assistance and support resources, both on campus and in the surrounding community; to have past behavior unrelated to the alleged behavior excluded; to be free from questioning about their sexual history involving anyone other than the respondent; to submit an oral or written impact statement to the conduct officer, and/or appeals board, and/or dean of students for consideration; to request an administrative no contact order against the respondent(s) during the conduct process; to have alternative accommodations to avoid being in the physical presence of the respondent during the conduct process; and to be free of any form of retaliation.

Additional information about student rights in the conduct process can be found in the Student Conduct Code WAC 516-21-250.

Counseling Services at Western

The Counseling & Wellness Center provides professional counseling for a wide variety of student concerns and issues. The Center offers group therapy, short-term individual and couples' therapy, advocacy services, and psycho-educational workshops designed to help students gain the skills necessary to be successful at Western. The Counseling & Wellness Center is located in Old Main 540, and is open Monday and Wednesday, 8 am-6 pm, and Tuesday, Thursday, and Friday, 9 am-5 pm, when classes are in session. Call 360-650-3164 to schedule an appointment; same day appointments are available for students. An on-call counselor is available when the Counseling & Wellness Center is closed; to access the on-call counselor, call the Counseling & Wellness Center at 360-650-3164 and select Option 1.

The Washington State Employee Assistance Program offers counseling and support to assist faculty and staff in resolving personal or work-related problems. To schedule an appointment during office hours, call 877-313-4455 (toll free) or learn more at des.wa.gov/services/hr-finance-lean/employee-assistance-program-eap

ACCESS TO SERVICES FOR PERSONS WITH DISABILITIES

Western is committed to providing a campus community, workplace, and academic environment that is fully accessible to students, faculty, and staff of all abilities. Under state and federal law, no qualified person will be denied access to, or participation in, a University program or activity on the basis of their disability. For additional information, visit <https://disability.wvu.edu/>, or contact the following offices.

FOR STUDENTS:

Disability Access Center

Location: Wilson Library 170

Phone: 360-650-3083

Website: disability.wvu.edu

FOR FACULTY AND STAFF:

Human Resources Disability Services (to request a work-related accommodation)

Location: HU203

Phone: 360-650-3774

WA Relay: 711

Website: hr.wvu.edu/workplace-accommodation

Director of Civil Rights & Title IX Compliance/Title IX Coordinator

Location: Old Main 345

Phone: 360-650-3307

WA Relay: 711

Website: crtc.wvu.edu