

MIAMI UNIVERSITY

**A COMPONENT UNIT OF THE STATE OF OHIO
BUTLER COUNTY**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

OHIO AUDITOR OF STATE
KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
IPAReport@ohioauditor.gov
(800) 282-0370

Board of Trustees
Miami University
107 Roudebush Hall
Oxford, Ohi 45056

We have reviewed the *Independent Auditor's Report* of the Miami University, Butler County, prepared by FORVIS, LLP, for the audit period July 1, 2022 through June 30, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

November 13, 2023

This page intentionally left blank.

Miami University
A Component Unit of the State of Ohio
June 30, 2023

Contents

Independent Auditor’s Report.....	1
Management’s Discussion and Analysis	4
Basic Financial Statements	
Statement of Net Position	13
Statement of Revenues, Expenses, and Changes in Net Position.....	14
Statement of Cash Flows	15
Notes to Financial Statements	17
Required Supplementary Information	
Pension Plan and Other Post-Employment Benefits Plan (OPEB) Data	68
Uniform Guidance Audit Requirements	
Schedule of Expenditures of Federal Awards	74
Notes to Schedule of Expenditures of Federal Awards	84
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> – Independent Auditor’s Report.....	85
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance – Independent Auditor’s Report	87
Schedule of Findings and Questioned Costs	90
Summary Schedule of Prior Year Audit Findings	92

This page intentionally left blank.

Independent Auditor's Report

Board of Trustees
Miami University
Oxford, Ohio

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of Miami University (University), collectively a component unit of the State of Ohio, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the University's basic financial statements 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 and the discretely presented component unit of Miami University, as of June 30, 2023 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension, and other postemployment benefit information 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2023, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

FORVIS,LLP

Cincinnati, Ohio
October 13, 2023

Miami University
A Component Unit of the State of Ohio
Management's Discussion and Analysis
June 30, 2023

Introduction

The following discussion and analysis provides an overview of the financial position and activities of Miami University (the University or Miami) for the year ended June 30, 2023. This discussion should be read in conjunction with the accompanying financial statements and footnotes.

The University's annual report consists of this Management's Discussion and Analysis, the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, the Statement of Cash Flows, and the Notes to the Financial Statements. The financial statements of the University have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when the related liability has been incurred. The financial activity of the Miami University Foundation, a component unit of the University, is included through a discrete presentation as part of the University's financial statements, but is not included in the following discussion.

The financial statements, footnotes, and this discussion have been prepared by and are the responsibility of University management.

Financial Highlights

Overall, the University's financial position improved at June 30, 2023. Total assets increased 1.3 percent in fiscal year 2023 to \$2.67 billion compared to \$2.63 billion in fiscal year 2022. Liabilities increased 17.5 percent and totaled \$1.065 billion. Significant financial events during fiscal year 2023 were:

- The University's fall 2022 cohort consisted of 4,028 first-year resident undergraduate students. Under the Miami Tuition Promise program, the incoming cohort of first-year, first-time undergraduate resident students at the Oxford campus has a guaranteed tuition amount due each year of their full-time enrollment for the four years of the guarantee. Total undergraduate enrollment decreased 1.9 percent to 20,384 students for fall 2022 compared to 20,784 total undergraduate students in the fall 2021 class. Graduate enrollment for fall 2022 remained flat with a total of 2,260 compared to 2,261 graduate students in the fall 2021 class.
- For the fall 2022 cohort, the University continued its shift from emphasizing test score measures such as an average ACT and using "test optional admissions" instead. The University's commitment to increase selectivity, diversity, and maintain quality with strong academic credentials in enrollment goals was evidenced by a GPA average of 3.89 for the fall 2022 class. The profile of the incoming class for fall 2022 consisted of 37.9 percent non-resident and 14.2 percent students of color. The fall 2022 categories of transfer students and relocation students decreased by 56 students. The Hamilton campus' incoming class size increased from 396 students from fall 2021 to 467 for fall 2022. The Middletown campus' first-time incoming students was flat changing from 166 students in fall 2021 to 164 students for the fall 2022 class.

- The investment portfolios rebounded from losses experienced in the previous fiscal year. For the fiscal year ended June 30, 2023, operational investments (excluding operating cash) earned 6.3 percent, reversing the previous year's 6.3 percent loss. The pooled investment fund, which includes the University and Foundation endowments, posted an estimated gain of 8.1 percent (pending receipt of most of the private capital valuations for the last quarter), more than recouping the 5.9 percent loss in the previous year. Central banks around the world have aggressively increased interest rates to their highest levels in decades. These actions have slowed the pace of inflation and given some optimism to capital markets. The ultimate response of global economies is unclear. Inflation remains well above target levels and persistently tight labor markets remain a key inflationary threat. While most global public equity markets posted positive double-digit returns for the past year, the U.S. Treasury yield curve has been inverted for several months, with yields for maturities inside of one year significantly higher than longer maturities. This posture has historically been a strong predictor of a coming recession, and markets will be looking for evidence of equilibrium between inflation and economic growth.

Adoption of Governmental Accounting Standards Board (GASB) Statement No. 96

Effective July 1, 2022, the University adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). As a result of the adoption of Statement No. 96, the University recognized a net subscription asset and a corresponding liability of \$7,363 on July 1, 2022. See Note 4 and Note 8 for further details regarding the implementation of this standard.

Statement of Net Position

The Statement of Net Position presents the assets, liabilities, deferred outflows/inflows of resources, and net position of the University as of the end of the fiscal year. The difference between total assets and deferred outflows and total liabilities and deferred inflows, or net position, is one indicator of the overall strength of the institution. Also, the increase or decrease in total net position indicates whether the financial position of the institution is improving or declining.

The net position is classified into three major categories. The first category, net investment in capital assets, reports the University's net equity in property, plant, and equipment, lease assets and subscription assets. The second major category, restricted net position, reports assets that are owned by the University, but the use or purpose of the funds is restricted by an external source or entity. This category is subdivided into two types: nonexpendable and expendable. Nonexpendable restricted net position is primarily endowment funds that may be invested for income and capital gains, but the endowed principal may not be spent. Expendable restricted net position may be spent by the University, but only for the purpose specified by the donor, grantor, or other external entity. The third category, unrestricted net position, is separated into two types: allocated and unallocated. Allocated unrestricted net position is available to the University, but is set aside for a specific purpose by University policy, management, or the governing board. Unallocated unrestricted net position is available to be used for any lawful purpose of the institution.

	(Dollars in Thousands)		
	2023	2022	2021
Assets			
Current assets	\$ 961,606	\$ 977,011	\$ 1,025,834
Capital assets, subscription assets, and lease assets	1,383,638	1,334,944	1,349,370
Long-term investments	278,379	261,704	282,732
Other assets	45,861	60,589	46,220
Total assets	<u>2,669,484</u>	<u>2,634,248</u>	<u>2,704,156</u>
Deferred Outflows of Resources			
	<u>111,289</u>	<u>53,931</u>	<u>50,940</u>
Total assets and deferred outflows of resources	<u>\$ 2,780,773</u>	<u>\$ 2,688,179</u>	<u>\$ 2,755,096</u>
Liabilities:			
Current liabilities	\$ 134,698	\$ 122,250	\$ 116,114
Noncurrent liabilities	929,856	784,030	972,164
Total liabilities	<u>1,064,554</u>	<u>906,280</u>	<u>1,088,278</u>
Deferred Inflows of Resources			
	<u>66,797</u>	<u>223,116</u>	<u>121,250</u>
Net Position:			
Net investment in capital assets	747,628	716,592	736,495
Restricted – nonexpendable	109,457	105,803	114,233
Restricted – expendable	136,332	118,344	104,299
Unrestricted – allocated	640,781	607,316	579,291
Unrestricted – unallocated	15,224	10,728	11,250
Total net position	<u>1,649,422</u>	<u>1,558,783</u>	<u>1,545,568</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 2,780,773</u>	<u>\$ 2,688,179</u>	<u>\$ 2,755,096</u>

Total assets of the University increased 1.3 percent or \$35.2 million in fiscal year 2023. This increase was primarily a result of an increase in net capital assets and investments. Detail of the increase in investments is provided in the Financial Highlights section of this report.

Total liabilities increased 17.5 percent or \$158.3 million in fiscal year 2023. This increase was primarily the result of an increase in the net pension liability of \$182.4 million. Details of the net pension liability are disclosed in Note 9.

Statement of Revenues, Expenses and Changes in Net Position

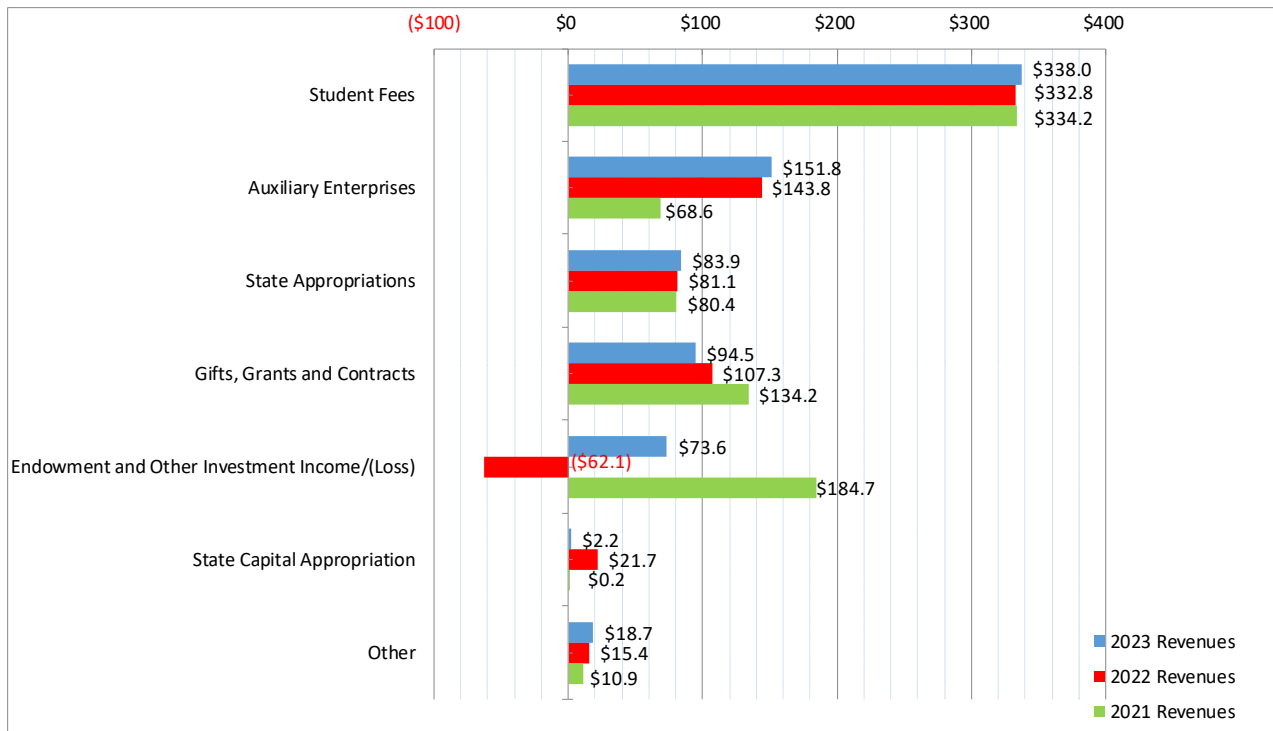
The Statement of Revenues, Expenses, and Changes in Net Position presents the University's results of activities for the fiscal year. The revenues and expenses are generally reported as either operating or non-operating. Operating revenues are generated by providing goods and services to customers and constituencies of the institution. Operating expenses are incurred when goods and services are provided by vendors and employees for the overall operations of the University. Non-operating revenues include the student instructional subsidy from the State of Ohio, while other revenues include the State's capital appropriation. Investment losses and returns are also included in non-operating revenue. Interest on debt is the primary component of non-operating expense.

In fiscal year 2023, total revenues of the institution from all sources were approximately \$762.7 million, which represents a \$130.6 million or 20.7 percent increase from the prior year. Approximately 70.5 percent of revenues were classified as operating, and 29.5 percent were classified as non-operating or other revenues.

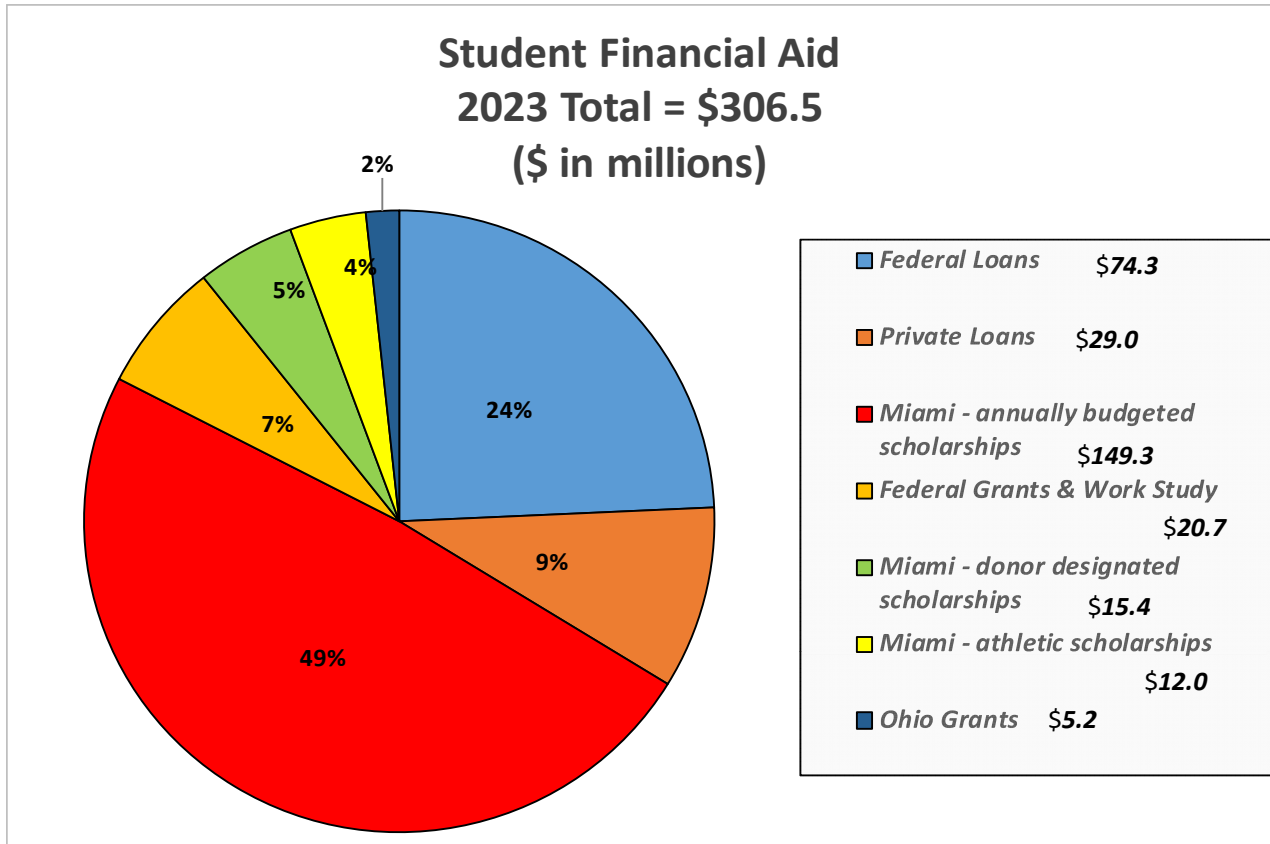
	(Dollars in Thousands)		
	2023	2022	2021
Operating revenues	\$ 537,490	\$ 515,830	\$ 431,810
Non-operating revenues	220,914	90,947	378,973
Other revenues	4,249	25,258	2,515
Total revenues	<u>762,653</u>	<u>632,035</u>	<u>813,298</u>
Operating expenses	(650,100)	(593,635)	(503,125)
Non-operating expenses	(21,914)	(25,185)	(27,665)
Total expenses	<u>(672,014)</u>	<u>(618,820)</u>	<u>(530,790)</u>
Change in net position	<u>\$ 90,639</u>	<u>\$ 13,215</u>	<u>\$ 282,508</u>

The University revenue base is shown in the accompanying chart. Student tuition and fees make up the largest percentage of revenues at 44.3 percent. Auxiliary enterprises such as residence and dining halls, several student recreational facilities, and the bookstore account for the second highest amount at 19.9 percent to the total. Gifts, grants, and contracts represent 12.4 percent. State appropriations are 11 percent and State capital appropriations are less than 1 percent of the total. Net endowment and investment income represented 9.8 percent of the total.

Total Revenues (\$ in Millions)



The University continues to expand the scholarship packages for in-state and out-of-state students in order to recognize student achievement and to continue making a high-quality education more affordable for parents and students. In fiscal year 2023, Miami-funded financial aid increased by \$12.8 million or 7.8 percent. In total, financial aid awards were \$306.5 million.



Capital Assets and Debt Administration

During fiscal year 2023, the University completed and capitalized several projects. These projects were funded by a combination of bond proceeds, state capital appropriations, gifts and local funding. Major projects capitalized in 2023 include renovation projects to Dodds Hall, Morris Hall, Center of Performing Arts, Pearson Hall, College at Elm, and Hamilton Hall located on the Hamilton Campus. The new Health Sciences Facility, as well as the infrastructure improvements to include the second phase of South Quad Hot Water Conversion, were also completed and capitalized.

See Note 4 for additional information concerning capital assets and accumulated depreciation.

The University's bond rating remained the same in fiscal years 2023 and 2022 with a rating of Aa3 from Moody's Investors Services and a rating of AA from Fitch Ratings.

No new debt was issued in fiscal year 2023.

For more detailed information on current outstanding debt, see Notes 5 and 6.

Economic Factors That Will Affect the Future

Over the past seven decades, leading up to 2020, higher education only experienced growing demand for its services. Even during periods of declining high school graduation numbers, enrollments continued to be strong as participation rates continuously rose for both undergraduate and graduate programs. More importantly, while the cost of higher education since the late 1970s has risen much faster than inflation, it had almost no negative impact on demand for most colleges and universities. The strong return on investment from a degree during much of this period drove the rise in participation rates, especially for a selective university such as Miami.

The economic outlook for Miami and much of higher education today could not be more different. Brought on by the pandemic, rising inflation and concerns about the return on investment from a degree, prospective students and their families are far more price sensitive today. The divestment in public higher education by many states following the great recession, along with these recent trends, is leading institutions to grow enrollments in an effort to replace this lost revenue even as demand for higher education experiences declining participation rates today and shrinking high school graduation numbers in the future. For most universities, the increased competition for students is not leading to increased net tuition revenue. Instead, it is resulting in rising discount rates and falling net tuition per student even as the stated price of tuition continues to rise. As the number of high school graduates declines in the second half of this decade, there is the very real possibility that the increased competition for students will get worse and discount rates will continue to rise for many universities.

Shifting economic factors for higher education in the United States are not the only issues negatively impacting demand for higher education today. The lasting effects of the pandemic in many international countries, especially China, and the changing attitude in this country toward immigration are negatively affecting where international students choose to enroll today. American universities are now facing stiff competition for international students from other countries such as Australia, Canada, Great Britain and Western Europe. Prior to the pandemic, international enrollments at many American universities, even when the overall enrollment number was small, comprised a large percentage of their net tuition revenue. To replace the revenue lost from these students, often requires schools to enroll two or even three students, further exasperating the growing competition for students and again driving discount rates potentially even higher.

These negative economic factors are affecting Miami today and are expected to negatively impact it for the foreseeable future. However, the exact impact varies depending on the campus and where the campus derives its enrollment. For Miami's main campus in Oxford, Ohio, the rapid decline in enrollments from China and the price discount pressures on tuition have for the near-term stifled tuition revenue growth. Miami's access campuses at Hamilton and Middletown are also experiencing stagnant growth in tuition revenue but not for the same reasons as the Oxford Campus. Enrollments at these campuses have declined significantly, similar to community colleges in this country, as full employment is causing many students with financial need to bypass higher education and enter the workforce immediately following high school given the high demand and rising pay for many entry level jobs.

At the same time, all of Miami's Campuses are being negatively affected by reductions in state support, as Ohio continues to only modestly improve its appropriations to higher education after making large cuts in the prior decade. This continues to occur even as tax revenues from high employment levels have risen. The core state appropriation for higher education in Ohio will only rise by 1% in the new fiscal year and again in fiscal year 2025, both increases well below the recent increase in the consumer price index.

The most immediate economic factor that will impact Miami for the next four years is the trend in first time, undergraduate student enrollments in fall 2023. On the first day of classes for fall 2023, Miami University's main campus enrolled a first-time student cohort of 3,957 students down from 4,089 in the prior year. The tuition revenue from the new cohort, after discounts, is also estimated to be down 1.0% from the prior fall. Total enrollment on the first day of classes for the main campus fell from 19,291 to 18,796. Overall, first day enrollment at the University declined from 23,026 to 22,586.

In light of these fiscal and economic realities, Miami's Board of Trustees on June 28, 2019, adopted a new strategic plan for the University. The new strategic plan's primary emphasis is on how to overcome today's financial and demographic challenges while sustaining the University's long history of academic excellence and strong financial performance.

The need for greater agility in responding to market changes is stressed in the new strategic plan. In keeping with this emphasis, the University's Board of Trustees authorized a \$50 million investment fund to help facilitate the development of new, in-demand programs that better align with today's student and employer interests. The Trustees also authorized \$125 million in tax-exempt bonds to be issued for new facilities to house new or expanded programs in clinical health, data science, engineering, and technology. The new clinical health building opened in the summer of 2023 to receive the inaugural physician associate class and will also house the largest ever new nursing cohort in the fall of 2023. The McVey Data Science building will open in December of 2023 and will receive its first students during the spring 2024 semester, readying Miami to meet the rapidly growing demand for data scientists and graduates prepared for the forthcoming changes brought on by the rapid evolution of artificial intelligence in our economy and society. Additionally, 15 new or expanded academic programs aimed at today's student interests have been implemented in the last few years consistent with the new strategic plan.

At the same time that new academic programs are being developed, a review was completed of existing academic programs and majors with 25 programs to be sunset to allow for the reallocation of financial resources between academic programs. As these academic programs are scheduled to be eliminated, numerous other academic programs were placed on watch and will be reviewed again during the fall 2023 semester, potentially leading to further program eliminations due to insufficient demand.

To further assist in growing enrollments and tuition revenue, Miami's admissions and marketing teams began the execution of a new marketing plan in the fall of 2022 that will continue to be implemented in the 2023-24 academic year. Its initial impact on student applications was very positive as the number of applications for fall 2023 grew by over 4,600 or 14.7%.

While Miami has used its current strategic plan to set a new course for the University, there are many troubling economic and demographic realities as discussed above that will continue to reshape the demand for higher education in the coming years. In preparation for these potentially even more impactful changes, Miami's Board of Trustees in June 2023 decided to begin the preparation of an even bolder strategic plan for the remainder of this decade. To assist in the development of this plan, a request for proposals was issued in the summer of 2023 to select a leading consultant to assist with a thorough environmental scan of the outlook for higher education and to identify the types of changes that are likely to be necessary to remain a leading national university in the future. The work of the consultant is expected to be completed early in the new 2024 calendar year and inform the work on the new strategic plan.

For decades Miami and other public colleges and universities could rely on tuition increases and/or increasing demand to provide the financial resources needed to replace the loss of state support, offset rising costs, and provide for growth and expansion of their universities. That economic model is less effective today as major shifts in the underlying elements of supply and demand for higher education are creating a very different set of economic factors. Miami recognizes the significance of these changes and is developing new strategies in response to these trends, but it must be able to execute these new initiatives timely and effectively to continue to keep pace with the new and rapidly changing higher education landscape.

Miami University
A Component Unit of the State of Ohio
Statement of Net Position
June 30, 2023
(Dollars in Thousands)

	Miami University	University Foundation
Assets		
Current Assets		
Cash and cash equivalents	\$ 141,467	\$ 27,474
Investments	744,236	-
Accounts, pledges and notes receivable, net	63,175	7,770
Inventories	1,757	-
Prepaid expenses	10,971	-
Total current assets	961,606	35,244
Noncurrent Assets		
Restricted cash and cash equivalents	5,219	13,838
Investments	278,379	712,897
Pledges and notes receivable, net	21,684	19,664
Net pension asset	1,619	-
Net OPEB asset	17,339	-
Nondepreciable capital assets	111,873	-
Depreciable capital assets, net	1,262,098	-
Subscription assets, net	7,405	-
Lease assets, net	2,262	-
Total noncurrent assets	1,707,878	746,399
Total assets	2,669,484	781,643
Deferred Outflows of Resources		
Deferred loss on debt refunding	169	-
Pensions	98,726	-
OPEB	12,394	-
Total deferred outflows of resources	111,289	-
Total assets and deferred outflows of resources	\$ 2,780,773	\$ 781,643
Liabilities		
Current Liabilities		
Accounts payable	\$ 49,638	\$ 25,413
Accrued salaries and wages	16,505	-
Accrued compensated absences	1,830	-
Unearned revenue	13,997	-
Deposits	10,212	-
Current portion of long-term debt	39,761	-
Current portion of subscription liabilities	2,455	-
Other current liabilities	300	504
Total current liabilities	134,698	25,917
Noncurrent Liabilities		
Accrued compensated absences	16,619	-
Bonds payable, net	583,286	-
Subscription liabilities	4,350	-
Lease liability	1,795	-
Notes payable	760	-
Federal Perkins loan program	78	-
Net pension liability	319,246	-
Net OPEB liability	3,722	-
Other noncurrent liabilities	-	281,892
Total noncurrent liabilities	929,856	281,892
Total liabilities	1,064,554	307,809
Deferred Inflows of Resources		
Deferred gains on debt refunding	10,418	-
Beneficial interest in perpetual trust	2,260	-
Pensions	30,654	-
OPEB	16,760	-
Leases	6,705	-
Total deferred inflows of resources	66,797	-
Net Position		
Net investment in capital assets	747,628	-
Restricted:		
Nonexpendable	109,457	309,878
Expendable	136,332	159,498
Unrestricted	656,005	4,458
Total net position	1,649,422	473,834
Total liabilities, deferred inflows and net position	\$ 2,780,773	\$ 781,643

Miami University
A Component Unit of the State of Ohio
Statement of Revenues, Expenses, and Changes in Net Position
Year Ended June 30, 2023
(Dollars in Thousands)

	<u>Miami University</u>	<u>University Foundation</u>
Operating Revenues		
Tuition, fees, and other student charges	\$ 500,746	\$ -
Less allowance for student scholarships	(162,790)	-
Net tuition, fees, and other student charges	<u>337,956</u>	<u>-</u>
Sales and services of auxiliary enterprises	157,655	-
Less allowance for student scholarships	(5,849)	-
Net sales and services of auxiliary enterprises	<u>151,806</u>	<u>-</u>
Federal grants	21,803	-
Gifts	-	4,208
Sales and services of educational activities	1,813	-
Private grants	4,234	-
State grants	6,279	-
Local grants	528	-
Other	13,071	-
Total operating revenues	<u>537,490</u>	<u>4,208</u>
Operating Expenses		
Education and general:		
Instruction and departmental research	192,822	-
Separately budgeted research	17,030	-
Public service	13,923	-
Academic support	57,638	-
Student services	33,761	-
Institutional support	76,633	-
Operation and maintenance of plant	31,983	-
Scholarships and fellowships	34,811	-
Auxiliary enterprises	114,724	-
Depreciation and amortization	76,909	-
Pension and other postemployment benefit	(8,490)	-
Other	8,356	4,591
Total operating expenses	<u>650,100</u>	<u>4,591</u>
Net operating (loss) income	<u>(112,610)</u>	<u>(383)</u>
Nonoperating Revenues (Expenses)		
State appropriations	83,932	-
Gifts, including those from the University Foundation	40,260	-
Federal grants	17,218	-
Net investment gain, net of investment expense of		
\$4,341 for the University and \$2,022 for the Foundation in FY 23	73,125	33,758
State grants	2,567	-
Interest on debt	(21,914)	-
Payments to Miami University	-	(20,635)
Other non-operating revenues	3,812	851
Net non-operating revenues (expenses)	<u>199,000</u>	<u>13,974</u>
Income Before Other Revenues, Expenses, Gains or Losses	<u>86,390</u>	<u>13,591</u>
Other Revenues, Expenses, Gains or Losses:		
State capital appropriation	2,155	-
Capital grants and gifts	1,607	-
Additions to permanent endowments	487	21,705
Total other revenues, expenses, gains or losses	<u>4,249</u>	<u>21,705</u>
Change in Net Position	90,639	35,296
Net Position at Beginning of Year	<u>1,558,783</u>	<u>438,538</u>
Net Position at End of Year	<u>\$ 1,649,422</u>	<u>\$ 473,834</u>

Miami University
A Component Unit of the State of Ohio
Statement of Cash Flows
Year Ended June 30, 2023
(Dollars in Thousands)

Cash Flows From Operating Activities	
Tuition, fees, and other student charges	\$ 499,308
Sales and services of auxiliary enterprises	156,939
Contracts	33,976
Other operating receipts	13,321
Payments for employee compensation and benefits	(376,648)
Payments to vendors for services and materials	(161,264)
Student scholarships	(203,450)
Loans issued to students and employees	(1,009)
Collection of loans from students and employees	1,701
Net cash flows used in operating activities	<u>(37,126)</u>
Cash Flows From Noncapital Financing Activities	
State appropriations	83,932
Grants for noncapital purposes	20,118
Gifts	38,427
Net cash flows provided by noncapital financing activities	<u>142,477</u>
Cash Flows From Capital and Related Financing Activities	
State capital appropriation	1,938
Grants for capital purposes	(482)
Other capital and related receipts	1,829
Payments to construct, renovate, or purchase capital, subscription and lease assets	(116,261)
Principal paid on outstanding debt	(42,373)
Interest paid on outstanding debt	(27,323)
Net cash flows used in capital and related financing activities	<u>(182,672)</u>
Cash Flows From Investing Activities	
Proceeds from sale of investments	325,687
Purchases of investments	(261,573)
Endowment fees	(1,677)
Interest and dividends on investments	10,136
Net cash flows provided by investing activities	<u>72,573</u>
Net Change in Cash and Cash Equivalents	(4,748)
Cash and Cash Equivalents, Beginning of Year	<u>151,434</u>
Cash and Cash Equivalents, End of Year	<u>\$ 146,686</u>

Miami University
A Component Unit of the State of Ohio
Statement of Cash Flows (Continued)
Year Ended June 30, 2023
(Dollars in Thousands)

Reconciliation of Operating Loss to Net Cash Flows Used in Operating Activities	
Operating loss	\$ (112,610)
Adjustments to reconcile net operating loss to net cash flows used in operating activities:	
Depreciation and amortization expense	76,909
Net loss on retirements of capital assets	1,226
Accounts receivable bad debt adjustments	129
Adjustments to reconcile change in net position to net cash used in operating activities	
Accounts receivable	(1,664)
Inventories	907
Prepaid expenses	(3,463)
Notes receivable	479
Net pension asset	1,057
Net OPEB asset	15,569
Deferred outflows of pension resources	(46,383)
Deferred outflows of OPEB resources	(10,986)
Accounts payable	11,834
Accrued salaries and wages	126
Accrued compensated absences	19
Unearned revenue and deposits	(399)
Federal Perkins loans	(512)
Net pension liability	182,378
Net OPEB liability	3,722
Deferred inflows leases	(1,617)
Deferred inflows of pension resources	(132,527)
Deferred inflows of OPEB resources	(21,320)
	<u>(21,320)</u>
Net cash flows used in operating activities	<u>\$ (37,126)</u>
 Supplemental Disclosures of Noncash Information	
Capital assets included in accounts payable	\$ 17,972
Capital assets acquired by gifts in kind	2,165
Unrealized gains/losses from investments	54,347

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 1: Summary of Significant Accounting Policies

Miami University (the University) is a land grant institution chartered by the State of Ohio in 1809 and governed by a Board of Trustees (the Board). The Board consists of up to 17 members, including two student members and up to six non-voting national trustees. Voting members are appointed one each year for nine-year terms by the governor with the advice and consent of the state senate. The two student non-voting members are appointed for two-year staggered terms by the governor with the advice and consent of the senate, and the national trustees are appointed by the voting members and can serve for no more than two consecutive three-year terms.

In accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100: *Defining the Financial Reporting Entity*, the University's financial statements are included as a discretely presented component unit in the State of Ohio's Annual Comprehensive Financial Report.

Furthermore, in accordance with GASB Codification Section 2600: *Reporting Entity and Component Unit Presentation and Disclosure*, the Miami University Foundation (the Foundation) is included as a discretely presented component unit in a separate column in the University's financial statements to emphasize that it is legally separate from the University. The Foundation, which is a separate not-for-profit foundation, meets the criteria set forth in the Codification Section 2600 due to the significance of its operational and financial relationship with the University. Note 12 provides selected disclosures from the Foundation. Separate audit reports for the Foundation may be obtained from Treasury Services, 107 Roudebush Hall, Miami University, Oxford, Ohio, 45056.

Basis for Presentation

The financial statements of the University have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recorded when the related liability has been incurred. For financial reporting purposes, the University is considered a special-purpose government engaged only in business-type activities as defined by GASB Statement Nos. 34 and 35.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Recent and Pending Accounting Pronouncements

Effective July 1, 2022, the University adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. There was no material impact on the University’s financial statements due to the adoption of Statement No. 96. See Note 4 and Note 8 for further details regarding the implementation of this standard.

Effective July 1, 2022, the University adopted GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2020. GASB Statement No. 95 postponed the effective date to reporting periods beginning after December 15, 2021. There was no impact on the University’s financial statements due to the adoption of Statement No. 91.

Effective July 1, 2022, the University adopted GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. There was no impact on the University’s financial statements due to the adoption of Statement No. 94.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective at various dates as outlined in the Statement. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB No. 62*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The University does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The University has not yet determined the impact this statement will have on the financial statements.

Cash and Cash Equivalents

Cash consists primarily of cash in banks and money market accounts. Cash equivalents are short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less at the time of purchase.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Investments

Investments that are market traded are recorded at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The value of holdings of commingled or non-publicly traded funds is based on the funds' net asset value as supplied by the investment manager. Investments in real estate are recorded at estimated fair value.

Investment income is recorded on the accrual basis and purchases and sales of investments are recorded on a trade-date basis. Investment transactions occurring on or before June 30 that settle after such date are recorded as receivables or payables.

The University's non-endowment pool components of Tier II & Tier III investment assets are reported as current investments. The University's investment assets held in the Miami University Endowment are reported as noncurrent due to the restrictions placed upon these assets.

Accounts, Pledges and Notes Receivable

Accounts receivable: Accounts receivable primarily include tuition and fee charges to students and charges for auxiliary enterprise services provided to students, faculty and staff. Accounts receivable are recorded net of an allowance for uncollectible accounts. The allowance for doubtful accounts is determined based on management's judgment of potential uncollectible amounts, based on historical experience, analysis of the aging of payment schedules, type of receivable, and other known facts and circumstances.

Pledged gifts: Pledged gifts for endowments from individuals, foundations, or corporations do not meet eligibility requirements as defined by GASB, to be recognized on the University's Statement of Net Position. The Foundation receives pledges and bequests for the benefit of the University and as a FASB entity, recognizes those gifts on its financial report. Once the gift is received by the Foundation and transferred to the University, the University recognizes the gift income.

Notes receivable: Notes receivable are composed of mainly loans made to students under various federal loan programs. Such loans are recorded net of estimated uncollectible amounts.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Inventories

The University reports inventories at the lower of cost or market using the first-in, first out method.

Capital Assets

Land, buildings, and equipment are recorded at cost at the date of acquisition. In the case of gifts or other donated capital assets, they are recorded at acquisition value. Acquisition value is the price that would be paid to acquire an asset in an orderly market transaction at the acquisition date. Acquisition value is a market-based entry price. Intangible assets include patents, trademarks, land rights and computer software. Land, collections of works of art and historical treasures are capitalized but not depreciated. Any collection that is not capitalized is charged to operations at the time of purchase. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Estimated useful lives are 50 years for buildings; 25 years for infrastructure, land improvements, and library books and publications; 20 years for improvements to buildings; and 5 to 7 years for machinery and equipment, vehicles, and furniture. Intangible assets are depreciated based on the estimated life of each asset. The University's capitalization threshold is the lower of 5 percent of the original building cost or \$100 for building renovations and \$5 for other capitalized items. The capitalization threshold for intangible assets is \$100 except for internally generated computer software which has a threshold of \$500.

Capital, Lease, and Subscription Asset Impairment

The University evaluates capital, lease, and subscription assets for impairment whenever events or circumstances indicate a significant, unexpected decline in the service utility of a capital and lease asset has occurred. If a capital, lease, or subscription asset is tested for impairment and the magnitude of the decline in service utility is significant and unexpected, the capital asset historical cost and related accumulated depreciation are decreased proportionately such that the net decrease equals the impairment loss. No asset impairment was recognized during the year ended June 30, 2023.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Leases

The University is a lessee for noncancellable leases of buildings, machinery and equipment and vehicles. The University recognizes a lease liability and an intangible right-to-use lease asset in the financial statements for leases. At the commencement of a lease, the University measures the lease liability at the interest rate charged on the lease, if available, or otherwise discounted using the University's incremental borrowing rate. The lease assets are amortized over the shorter of the lease term or the underlying asset useful life.

The University is a lessor for noncancellable leases of equipment and office space. The University recognizes a lease receivable and deferred inflow of resources in the financial statements. At the commencement of the lease, the University measures the lease receivable at the interest rate charged on the lease, if available, or otherwise discounted using the University's incremental borrowing rate.

Subscription Assets

Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information technology arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying IT asset.

Unearned Revenue

Tuition and fees relating to summer sessions that are conducted in July and August are recorded in the accompanying Statement of Net Position as unearned revenue. Unearned revenue also includes the amounts received from grant and contract sponsors that have not yet been earned and amounts received from a tuition payment service for payments received for the next fiscal year. These will be recorded as revenue in the following fiscal year.

Pensions

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) Traditional and Combined Plans as well as the State Teachers Retirement System of Ohio Retirement Plan (STRS Ohio) (collectively referred to as, the Pension Plans) and additions to/deductions from the Pension Plan's fiduciary net position have been determined on the same basis as they are reported by the Pension Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the OPEB liability or asset, deferred outflows of resources and deferred inflows of resources related to healthcare costs, and employer OPEB expense, information about the fiduciary net position of the OPERS OPEB Plan as well as the STRS Ohio OPEB Plan (collectively referred to as, the OPEB Plans) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the OPEB Plans. For this purpose, health care costs are recognized when due and payable in accordance with the health care terms. Investments are reported at fair value.

Operating and Non-Operating Revenue

The University defines operating activities, for purposes of reporting on the Statement of Revenues, Expenses, and Changes in Net Position, as those activities that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Substantially all of the University's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as non-operating revenues, as defined by GASB Codification 2200: *Annual Comprehensive Financial Report*, including state appropriations, certain federal grants, gifts, and investment income.

Allowance for Student Scholarships

Allowances for student tuition and fee revenues, and certain other revenues from students, are reported in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship allowances are the difference between the stated charge for goods and services provided by the University, 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 nongovernmental programs, are recorded as either operating or non-operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Bond Premiums, Discounts And Issuance Costs

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are recognized as an expense in the period incurred.

Deferred Outflows/Inflows Of Resources

Deferred outflows of resources are a consumption of net position by the University that is applicable to a future reporting period. Deferred outflows of resources of the University consist of deferred loss on debt refunding, net pension asset/liability and net OPEB asset/liability not included in pension expense and OPEB expense, respectively. Employer contributions to the pension plan and OPEB plan subsequent to the measurement date of the net pension liability and OPEB liability, respectively, are also required to be reported as a deferred outflow of resources of the University. Deferred inflows of resources are an acquisition of net position by the University that is applicable to a future reporting period. Deferred inflows of resources consist of deferred gains on debt refunding, the University's share of beneficial interests in perpetual trusts, certain changes in net pension asset/liability not included in pension expense, net OPEB asset/liability not included in OPEB expense, and the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

Compensated Absences

Full-time unclassified staff earn vacation at rates of 18 to 22 days per year, based on the terms of their employment contract, with a maximum accrual of 52 days. Classified employees earn vacation at rates up to 25 days per year, based on years of service and hours reported, with a maximum accrual equivalent to the amount earned in three years. Upon retirement, termination, or death, the employee is compensated at the final rate of pay for unused vacation up to a maximum of 40 days. Faculty do not accrue vacation benefits.

Full-time faculty, unclassified staff, and classified staff earn 15 days of sick leave per year and individuals who work less than full-time earn sick leave on a pro-rata basis. There is no limit on the number of sick leave hours that can be accumulated. Upon retirement, a staff member with 10 or more years of Ohio public service is paid for one-fourth the value of earned but unused sick leave not to exceed 30 days, based on the employee's rate of pay at the time of retirement. The termination payment method is used to compute the liability for sick leave. Employees transferring to or from another State of Ohio agency may transfer any unused accumulated sick leave entitlement to/from the new agency. Persons leaving employment for reasons other than retirement are not compensated for unused sick leave.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Net Position

Net position is divided into three major categories. The first category, net investment in capital assets includes property, plant and equipment, lease assets and subscription assets, net of accumulated depreciation and amortization and net of lease liabilities, subscription liabilities, capital-related debt and capital-related deferred inflows of resources. Capital-related debt is offset by unspent bond proceeds, if any. The second major category is restricted net position. This category contains assets that are owned by the institution (offset by liabilities payable from those assets, if any), but the use or purpose of the funds is restricted by an external source or entity. The corpus of the nonexpendable restricted assets is available for investment purposes only. The expendable restricted assets may be expended by the institution, but must be spent only for the purpose as determined by a donor or external entity. The expendable restricted assets include \$18,958 related to the net pension and OPEB assets. The income generated from the nonexpendable restricted investments and the expendable restricted funds may be used for student loans, scholarships and fellowships, instruction, research, and other needs to support the operation of the University. The third category is unrestricted net position and is separated into two types: allocated and unallocated. Allocated unrestricted assets are available to the institution, but are allocated for a specific purpose within the institution by University policy, management, or the governing board. The allocated unrestricted net position was \$640,781 as of June 30, 2023, and is to be used for loans, scholarships, investments and capital projects. Unallocated unrestricted net positions are available to be used for any lawful purpose of the institution. Generally, it is the University's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted resources are available.

Tax Status

The University is exempt from federal income taxes under Section 115 of the Internal Revenue Code. As such, the University is subject to federal income taxes only on unrelated business income, if any, under the provisions of Section 511 in the Internal Revenue Code.

Estimates

Management has made, where necessary, estimates and judgments that affect certain amounts reported in the financial statements. These estimates and judgments are based on current information, and actual results could differ from those estimates.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 2: Cash, Cash Equivalents and Investments

The University's cash and investment activities are governed by policies adopted by the Board in accordance with authority granted by the Ohio Revised Code. Such policies are implemented by the treasurer and overseen by the Board's finance and audit committee.

The University's investment strategy incorporates financial instruments that involve varying elements of risk including market risk, credit risk, interest rate risk, and custodial credit risk. The University's investment policies and procedures establish risk guidelines for each of the two primary investment pools, the non-endowment pool and endowment pool. Diversification is a fundamental risk management strategy for both pools.

Cash and Cash Equivalents

At year-end, the carrying amount of the University's cash and cash equivalents was \$146,686. Cash and cash equivalents consist primarily of cash in banks, money market accounts and the State Treasury Asset Reserve of Ohio (STAR Ohio) that include short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less. STAR Ohio is a statewide fund managed by the State Treasurer of Ohio with the carrying amount of the assets reported at amortized cost. There are no limitations or restrictions on any STAR Ohio participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given to STAR Ohio 24 hours in advance of all deposits and withdrawals exceeding \$25,000.

At June 30, 2023, \$12,248 of cash and cash equivalents was covered by federal depository insurance; \$47,851 was covered by collateral held by third-party trustees pursuant to Paragraph 135.181 of the Ohio Revised Code in collateral pools securing all public funds on deposit with specific depository institutions; and the remaining \$87,103 was not collateralized or insured leaving it exposed to custodial credit risk. Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the University may not be able to recover its deposits or collateral securities. The University maintains active relationships with multiple cash equivalent accounts to reduce its exposure to custodial credit risk at any single institution.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Investments

Investments held by the University at June 30, 2023 are presented below, categorized by investment type and credit quality rating. Credit quality ratings provide information about the investments' credit risk, which is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Beginning in fiscal year 2019, management of the University's investments has been delegated by the Board to an external investment firm. The external investment firm has discretion to manage the University's investments within the framework of the investment policy statement. The University's formal investment policy does not specifically address interest rate risk, credit risk, custodial credit risk, or concentration risk, though these risks are monitored and managed by the external investment firm as part of their management and due diligence process. The external investment firm has implemented a combination of internally and externally managed investment vehicles, including separate accounts, limited partnerships, and commingled funds. The University's investment management policy establishes guidelines for average credit quality ratings in the portfolios. Investments in Tier II of the policy include U.S. Treasury and government agency securities generally with an average weighted maturity of between zero and two years for the baseline allocation. Investments in Tier III of the policy include diversified global equity and fixed income securities, along with absolute return strategies. Moody's Investors Services and Fitch Ratings have assigned AAA credit ratings to U.S. Treasury obligations. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The University's investments are held in trust by a custodian in the University's name. The University has credit risk associated with counterparty nonperformance. However, credit risk associated with exchange-traded contracts are typically perceived to be less because exchanges typically provide clearinghouse arrangements in which the collective credit of the managers of the exchange is pledged to support the financial integrity of the exchange. Margins, which may be subject to loss in the event of a default, are generally required in exchange trading and further mitigate credit risk. All of the future contracts held by the University at June 30, 2023 were exchange traded contracts.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The credit ratings of investments in debt securities are based on Moody's investor services and are summarized as follows as of June 30, 2023:

Investment Type	Fair Value	Not Applicable	AAA	AA, A, and BBB	Below BBB
U.S. Treasury bonds	\$ 68,867	\$ -	\$ 68,867	\$ -	\$ -
U.S. Treasury notes	183,466	-	183,466	-	-
U.S. Treasury strips	982	-	982	-	-
U.S. Treasury inflation protection securities	30,142	-	30,142	-	-
Total investments	\$ 283,457	\$ -	\$ 283,457	\$ -	\$ -

The University's bond investments are exposed to interest rate risk, which is the risk that changes in interest rates will adversely affect the fair value of an investment. Interest rate risk is managed primarily by adjusting portfolio duration.

Bond investments by length of maturity as of June 30, 2023 are summarized as follows:

Investment Type	Fair Value	Less than 1 Year	1 to 5 Years	6 to 10 Years	More than 10 Years
U.S. Treasury bonds	\$ 68,867	\$ -	\$ 13,186	\$ 50,089	\$ 5,592
U.S. Treasury notes	183,466	84,633	98,833	-	-
U.S. Treasury strips	982	982	-	-	-
U.S. Treasury inflation protection securities	30,142	17,934	12,208	-	-
Total bonds	\$ 283,457	\$ 103,549	\$ 124,227	\$ 50,089	\$ 5,592

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Fair Value of Financial Instruments

Fair value is defined in the accounting standards as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management utilizes valuation techniques that maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3) within the fair value hierarchy established by GASB. Assets carried at fair value are required to be classified and disclosed in one of the following three categories:

Level 1: Quoted prices in active markets for identical assets as of the report date. The quoted market prices are from those securities traded on an active exchange such as the New York Stock Exchange, NASDAQ or an active over-the-counter market.

Level 2: Significant other observable inputs including prices quoted in active markets for similar assets.

Level 3: Inputs that are unobservable including the University's own assumptions in determining the fair value of investments.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The following table presents the investments by fair value hierarchy as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Investment assets:				
U.S. Treasury bonds	\$ -	\$ 68,867	\$ -	\$ 68,867
U.S. Treasury notes	-	183,466	-	183,466
U.S. Treasury strips	-	982	-	982
U.S. Treasury inflation protection securities	-	30,142	-	30,142
Common and preferred stocks	971	-	115	1,086
Exchanged traded funds	18,571	-	-	18,571
Other	-	-	304	304
Miami University Foundation investment pool	-	-	277,104	277,104
	<u>\$ 19,542</u>	<u>\$ 283,457</u>	<u>\$ 277,523</u>	<u>\$ 580,522</u>
Funds reported at fair value based on net asset value per share:				
Non-publicly traded funds				
Cintrifuse Syndicate Fund II, LLC (a)				\$ 1,103
Ellington Strategic Mortgage Fund, L.P. (b)				17,090
GoldenTree High Yield Value Fund Offshore (Strategic), Ltd. (c)				16,532
Harrison Street Core Property Fund, L.P. (d)				2,270
KKR Global Credit Opportunities Fund (Overseas) L.P. (e)				6,443
Morgan Stanley Prime Property Fund, LLC (f)				5,426
PRISA LP (d)				4,346
Strategic Developed Markets ex-U.S. Equity Trust (g)				90,810
Strategic Emerging Markets Equity Trust (h)				30,269
Strategic Global Equity Trust (i)				47,379
Strategic U.S. Equity Trust (j)				93,228
Hedge funds				
Strategic SPC Alpha Segregated Portfolio ^(k)				126,771
Waterfall Eden Fund, Ltd. ^(l)				426
Total investment assets				<u>\$ 1,022,615</u>

The redemption frequency, if eligible, ranges from monthly to quarterly for the various funds reported at fair value based on net asset value per share at June 30, 2023, with a redemption notice period, if applicable, ranging from 15 days to 90 days. As of June 30, 2023, the University has commitments to limited partnerships of approximately \$159 that have not yet been funded.

Certain investments that are measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Net Position.

- (a) This fund primarily includes investments in limited partnerships focused on venture capital. This fund is generally illiquid, and it does not offer access to redemptions during the life of the partnership. Capital is periodically called, invested, and then returned over time. Typically, these partnerships have a life exceeding ten years and may take up to twenty years before they have fully returned contributed capital.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

- (b) The Fund primarily invests in mortgage related securities, including inverse floaters, pools of mortgage loans made by banks, savings and loan institutions and other lenders, collateralized mortgage obligations, real estate mortgage investment conduits, stripped mortgage-related securities and other mortgage-related securities.
- (c) The Fund primarily invests in public and private high-yield non-investment grade and non-rated debt securities on a long-only basis to achieve superior return.
- (d) This fund is an open-ended commingled fund that invests in commercial real estate.
- (e) This fund primarily invests in debt securities such as bank loans and high yield bonds with below investment grade credit ratings.
- (f) This fund is a real estate investment trust.
- (g) This fund generally invests in long positions in publicly traded equity securities focusing in developed economies outside of the United States including Western Europe and Asia, as well as futures and options in such securities and certain stock indices.
- (h) Securities focusing in markets outside of the United States and Western Europe, including Asia and Latin America as well as Eastern Europe, Africa and the less developed Mediterranean economies.
- (i) This fund generally invests in long positions in global publicly traded equity securities as well as futures and options on such securities and certain stock indices.
- (j) This fund generally invests in long positions in domestic publicly traded equity securities as well as futures and options in such securities and certain stock indices.
- (k) This fund generally invests in hedge funds that invest in both long and short positions in publicly traded equity and debt securities on a global basis. Most debt securities are sub-investment grade and may be hard to price due to thin trading volumes. The various strategies collectively target a market neutral position.
- (l) This fund primarily includes investments in hedge funds that invest in both long and short positions in publicly traded equity and debt securities on a global basis. This investment is being redeemed as underlying liquidity restrictions permit.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

All of the University's investments in publicly traded securities are subject to market risk. As a result, a significant downturn in the securities markets could adversely affect the market value of University assets. Investments include globally oriented strategies that include exposure to non-U.S. equity and debt securities. While providing a potential diversification benefit, such international investments are exposed to foreign currency risk. Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. At June 30, 2023, the University had no exposure to foreign currency risk. All direct investments and investment vehicles in the portfolios are denominated in U.S. dollars. The University's investments that are exposed to concentration risk consist of its holdings in Strategic Developed Markets ex-U.S. Equity Trust fund, Strategic SPC Alpha Segregated Portfolio fund and Strategic U.S. Equity Trust fund which represent 8.9 percent, 12.4 percent and 9.1 percent of the total investment assets at June 30, 2023, respectively. Exposure to individual diversified commingled funds does not exceed five percent of investments. Commingled funds held by the University include a wide range of investments, including hedge funds. The University's objective for investing in these hedge funds is to provide stable, absolute returns that are uncorrelated to fluctuations in the stock and bond markets. Specific investments are also reviewed and aggregated, as available from each fund manager, on a regular basis to ensure that the portfolio does not maintain unwarranted concentration risks with respect to any single factor or security at the fund manager's level, asset class level and portfolio level.

Endowment Funds

The Foundation manages the Foundation and University endowment and quasi-endowment funds in a single investment pool (Pooled Fund). The University's investments are maintained as a separate fund in the financial system of the Foundation and receive a proportionate share of the Pooled Fund's activity. The Foundation owns the assets of the Pooled Fund; the University has an interest in the Pooled Fund. The Foundation's Pooled Fund is not registered with the Securities and Exchange Commission as an investment company. The Foundation's Board of Directors appoints an Investment Committee, which is responsible for oversight of the Pooled Fund in accordance with Foundation policies. University investments include \$277,104 managed by the Foundation as of June 30, 2023. The assets held on behalf of the University are included in other noncurrent liabilities on the Statement of Net Position of the Foundation. The fair value of the University's position in the Pooled Fund is based on the University's proportional share of the Pooled Fund, which is marked-to-market at year-end. Note 12 provides additional information on the Foundation and the Pooled Fund.

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of Ohio provides statutory guidelines for prudent management, investment, and expenditure of donor-restricted endowment funds held by charitable organizations. The University's interpretation of its fiduciary responsibilities for donor-restricted endowments under UPMIFA requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity to the extent possible and to produce maximum total return without assuming inappropriate risks. The investment policies governing these funds look beyond short-term fluctuations in economic cycles toward an investment philosophy that provides the best total return over very long time periods.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The University employs a total return policy which defines the total amount of dividends, interest and realized gains to be distributed from the endowment assets. The policy distributes four percent of the average of the previous twelve quarterly market values as of March 31st of each fiscal year. The authorized spending amount was \$8,922 in 2023. In accordance with donors' stipulations, a portion of the earnings was returned to endowment principal and the balance of \$8,718 was distributed for expenditure for 2023. Donor restricted endowments with insufficient accumulated earnings made a partial distribution.

Note 3: Accounts, Pledges and Notes Receivable, Net

The accounts, pledges and notes receivable as of June 30, 2023 are summarized as follows:

Accounts receivable	
Student receivables	\$ 9,852
University Foundation	22,245
Grants and contracts	8,430
Investment trade receivables	6,109
Lease receivable	6,866
Other receivables	8,643
Total accounts receivable	<u>62,145</u>
Less allowances for doubtful accounts	<u>(1,250)</u>
Net accounts receivable	<u>60,895</u>
Pledges receivable	
Pledges receivable	21,591
Less discount and allowance for doubtful pledges	<u>(1,062)</u>
Net pledges receivable	<u>20,529</u>
Notes receivable:	
Federal loan programs	1,139
University loan programs	<u>3,319</u>
Total notes receivable	4,458
Less allowance for doubtful notes	<u>(1,023)</u>
Net notes receivable	<u>3,435</u>
Total	<u>\$ 84,859</u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 4: Capital Assets and Subscription Assets

The capital assets and accumulated depreciation as of June 30 are summarized as follows:

	Beginning Balance	Additions	Disposals	Transfers	Ending Balance
Capital assets:					
Land	\$ 6,025	\$ -	\$ -	\$ -	\$ 6,025
Collections of works of art and historical treasures	10,928	898	-	-	11,826
Construction in progress	115,497	104,365	-	(125,840)	94,022
Total nondepreciable capital assets	<u>132,450</u>	<u>105,263</u>	<u>-</u>	<u>(125,840)</u>	<u>111,873</u>
Land improvements	74,636	1,281	-	-	75,917
Buildings	1,762,366	586	-	122,830	1,885,782
Infrastructure	204,819	1,633	-	3,010	209,462
Machinery and equipment	81,727	6,739	(4,434)	-	84,032
Library books and publications	76,664	717	-	-	77,381
Vehicles	5,577	493	(284)	-	5,786
Intangible assets	12,158	-	-	-	12,158
Total depreciable capital assets	<u>2,217,947</u>	<u>11,449</u>	<u>(4,718)</u>	<u>125,840</u>	<u>2,350,518</u>
Total capital assets	<u>2,350,397</u>	<u>116,712</u>	<u>(4,718)</u>	<u>-</u>	<u>2,462,391</u>
Less accumulated depreciation:					
Buildings	732,073	57,714	-	-	789,787
Infrastructure	107,801	7,561	-	-	115,362
Land improvements	31,636	2,642	-	-	34,278
Machinery and equipment	69,182	4,080	(3,223)	-	70,039
Library books and publications	60,063	1,657	-	-	61,720
Vehicles	5,336	112	(284)	-	5,164
Intangible assets	12,018	52	-	-	12,070
Total accumulated depreciation	<u>1,018,109</u>	<u>73,818</u>	<u>(3,507)</u>	<u>-</u>	<u>1,088,420</u>
Total capital assets, net	<u>\$ 1,332,288</u>	<u>\$ 42,894</u>	<u>\$ (1,211)</u>	<u>\$ -</u>	<u>\$ 1,373,971</u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Subscription asset activity for the year ended June 30, 2023 was:

	Beginning Balance	Additions	Disposals	Ending Balance
Subscription IT asset	\$ 7,363	\$ 2,482	\$ -	\$ 9,845
Less accumulated amortization Subscription IT asset	-	2,440	-	2,440
	-	2,440	-	2,440
Subscription assets, net	<u>\$ 7,363</u>	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ 7,405</u>

Note 5: Long-Term Liabilities

The long-term liabilities as of June 30 are summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Indebtedness and subscription liabilities					
Bonds payable	\$ 579,380	\$ -	\$ 37,975	\$ 541,405	\$ 38,460
Lease liability	2,652	283	599	2,336	541
Notes payable	2,279	-	760	1,519	759
Subscription liabilities	7,363	2,482	3,040	6,805	2,455
Premiums	85,177	-	4,836	80,341	
Total indebtedness and subscription liabilities	<u>676,851</u>	<u>2,765</u>	<u>47,210</u>	<u>632,406</u>	<u>42,215</u>
Other liabilities:					
Compensated absences	18,430	7,939	(7,920)	18,449	1,830
Federal Perkins loans	890	186	(698)	378	300
Total other liabilities	<u>19,320</u>	<u>8,125</u>	<u>(8,618)</u>	<u>18,827</u>	<u>2,130</u>
Total	<u>\$ 696,171</u>	<u>\$ 10,890</u>	<u>\$ 38,592</u>	<u>\$ 651,233</u>	<u>\$ 44,345</u>

Miami University's General Receipts Revenue Bonds (Series 2010A, 2014, 2017, 2020A, 2021A, and 2022A) relate to the multi-phase effort to renovate all campus student housing and dining facilities as well as general educational facilities, and contain subjective acceleration clauses. In the event of default, the Trustee, upon the written request of the bondholders of not less than 25 percent (in aggregate) principal amount of the obligations outstanding, shall declare the principal of all obligations with accrued interest thereon, to be immediately due and payable on the announced accelerated maturity date.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 6: Indebtedness

During the year ended June 30, 2022, the University issued \$47,935 in General Receipts Revenue Bonds (2022A) with an interest rate of 5.00 percent and maturities from 2022 to 2035. The proceeds were used to refund a portion of the Miami University General Receipts Bonds, Series 2012, which were callable on September 1, 2022. The net change in cash flows related to the refunding was approximately \$7,128 and the net present values savings was approximately \$6,451. In 2022, the University defeased the Series 2012 bonds by placing the proceeds from Series 2022A bonds into an escrow to provide for future debt service. The outstanding balance of the defeased bonds was \$47,545 as of June 30, 2023.

The June 7, 2022 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$6,182 as well as the reacquisition price of \$263 from the bond refunding General Receipts Revenue Bonds Series 2020A. The unamortized difference of \$5,446 at June 30, 2023 is reported in the accompanying financial statements as deferred inflow of resources and is being amortized through the year 2035.

During the year ended June 30, 2021, the University issued \$75,930 in General Receipts Revenue Bonds (2021A) with an interest rate of 5.00 percent and maturities from 2022 to 2037. The proceeds were used to refund the Miami University General Receipts Bonds, Series 2011, which were callable on September 1, 2021. The net change in cash flows related to the refunding was approximately \$26,169 and the net present value savings was approximately \$23,205. In 2021, the University defeased the Series 2011 bonds by placing the proceeds from the Series 2021A bonds into an escrow to provide for future debt service. The outstanding balance of the defeased bonds was \$69,230 as of June 30, 2023.

The June 9, 2021 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$5,430. The unamortized difference of \$4,723 at June 30, 2023 is reported in the accompanying financial statements as a deferred inflow of resources and is being amortized through the year 2037.

During the year ended June 30, 2021, the University also issued \$128,470 in General Receipts Revenue Bonds with interest rates ranging from 4.00 percent to 5.00 percent and maturities from 2021 to 2046. A part of the proceeds of the 2020A Series were used to refund the mandatory sinking fund redemption for years 2035 through 2037 for the Miami University General Receipts Bonds, Series 2012, and the mandatory sinking fund redemption for years 2035 and 2036 for the Miami University General Receipts Bonds, Series 2014. The balance of the proceeds are for all or a portion of the cost of the acquisition, construction, equipping and/or furnishing of certain facilities on the main campus of the University, including a new health sciences building and a new digital innovation multidisciplinary building.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The July 16, 2020 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$199. The unamortized difference of \$169 at June 30, 2023 is reported in the accompanying financial statements as a deferred outflow of resources and is being amortized through the year 2041 for the refunding of Series 2014 Bonds.

During the year ended June 30, 2017, the University issued \$154,635 in General Receipts Revenue Bonds with interest rates ranging from 4.00 percent to 5.00 percent and maturities from 2017 to 2042. A part of the proceeds was used to refund a portion of the remaining Miami University General Receipts Bonds, Series 2007. The net change in cash flows related to the refunding was approximately \$5,800 and the net present value savings was approximately \$5,000. In 2017, the University defeased a portion of the Series 2007 bonds by placing some of the proceeds from the Series 2017 bonds into an escrow account to provide for future debt service. The outstanding balance of defeased bonds was \$22,535 as of June 30, 2023.

The February 14, 2017 bond refunding resulted in a difference between the net carrying amount of the old debt and the reacquisition price of \$599. The unamortized difference of \$249 at June 30, 2023, is reported in the accompanying financial statements as a deferred inflow of resources and is being amortized through the year 2028.

During the year ended June 30, 2015, the University issued \$52,335 in General Receipts Revenue Bonds with a 1.88 percent coupon and maturities from 2016 to 2025. The proceeds were used to retire the University's Series 2005 bonds.

During the year ended June 30, 2014, the University issued \$135,035 in General Receipts Revenue Bonds with interest rates ranging from 3.50 percent to 5.00 percent and maturities from 2015 to 2040.

During the year ended June 30, 2011, the University issued \$125,000 in General Receipts Revenue Bonds consisting of \$105,445 Series 2010A (Federally Taxable Build America Bonds—Direct Payment) and \$19,555 Series 2010B (Tax-Exempt Bonds). Interest rates range from 6.54 percent to 6.77 percent for the Series 2010A bonds and 5.00 percent for the Series 2010B bonds. Maturities range from 2017 to 2036 for the Series 2010A bonds with a final payment in 2017 for the Series 2010B bonds. The Series 2010 bond proceeds were used to provide funding for the first phase of planned improvements to student housing and dining facilities and the first phase of construction of the Armstrong Student Center.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The proceeds of the 2022A issuance was to refund the 2012 issuance and the proceeds of the 2021A issuance was to refund the 2011 issuance, which was primarily used to refund the 2003 issuance. The proceeds from the 2020A issuance refunded the mandatory sinking fund for both the 2012 and 2014 issuances, in addition to financing the cost of certain facilities on the main campus of the University, including a health sciences building and a digital innovation multidisciplinary building. The proceeds from the 2017, 2014 and 2012 issuances have been and will continue to be used to fund the multi-phase effort to renovate all campus student housing and dining facilities as well as to retire outstanding indebtedness of the University for more favorable borrowing terms as described in the proceeding paragraphs. The 2015 issuance was to refinance the 2005 issuance that was used to fund the campus student housing and dining facilities as well as the Farmer School of Business and infrastructure projects. The 2010A issuance was used to fund the Armstrong Student Center as well as campus student housing and dining facilities.

The indebtedness created through the issuance of General Receipts' bonds is collateralized by a pledge of all general receipts, excluding state appropriations and monies received for restricted purposes.

The University incurred total interest costs of \$21,914 for the year ended June 30, 2023.

The maturity dates, interest rates, and outstanding principal balances as of June 30, 2023 are as follows:

	Maturity Dates	Interest Rates	Outstanding Debt
Bonds payable			
Series 2022A general receipts	2024 - 2035	5.00%	\$ 47,545
Series 2021A general receipts	2024 - 2037	5.00%	69,230
Series 2020A general receipts	2024 - 2046	4.00% - 5.00%	123,970
Series 2017 general receipts	2024 - 2042	4.00% - 5.00%	116,725
Series 2015 general receipts	2024 - 2025	1.88%	11,115
Series 2014 general receipts	2024 - 2040	3.50% - 5.00%	92,235
Series 2010A general receipts	2024 - 2036	6.54% - 6.77%	80,585
Total bonds payable			<u>541,405</u>
Bond premiums			<u>80,341</u>
Total bonds payable, net			<u><u>\$ 621,746</u></u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The principal and interest payments for the bonds in future years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 38,460	\$ 25,675	\$ 64,135
2025	33,885	24,024	57,909
2026	29,680	22,457	52,137
2027	31,195	20,823	52,018
2028	26,360	19,373	45,733
2029-2033	146,145	74,216	220,361
2034-2038	146,900	33,061	179,961
2039-2043	69,690	9,053	78,743
2044-2046	19,090	911	20,001
	<u>541,405</u>	<u>229,593</u>	<u>770,998</u>
Total	<u>\$ 541,405</u>	<u>\$ 229,593</u>	<u>\$ 770,998</u>

The University has \$1,519 in interest-free notes payable obligations that have varying maturity dates through 2025. The scheduled maturities of these obligations as of June 30, 2023 are:

2024	\$ 759
2025	<u>760</u>
Total	<u>\$ 1,519</u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 7: Leases

Lessor

The University leases space on towers to cellular companies and office space to external parties. In accordance with GASB 87, the University records leases receivable and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The University recognized deferred inflows of resources of lease revenue of \$1,403 and interest income of \$115 for the year ended June 30, 2023. Below is a schedule of future payments that are included in the measurement of the lease receivable:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,329	\$ 98	\$ 1,427
2025	1,173	79	1,252
2026	1,176	61	1,237
2027	1,180	44	1,224
2028	1,209	25	1,234
2029-2032	<u>799</u>	<u>21</u>	<u>820</u>
Total	<u>\$ 6,866</u>	<u>\$ 328</u>	<u>\$ 7,194</u>

Lessee

The University leases facilities, equipment and vehicles from others. These leases have terms between 1 year and 10.5 years requiring monthly, quarterly or annual payments. The expected lease payments are discounted using the interest rate charged on the lease, if available, and are otherwise discounted using the University's incremental borrowing rate. The right to use assets are amortized over the shorter of the lease term or the underlying asset useful life.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

As of June 30, 2023, the total amount of right-to-use lease assets by major class, and the related accumulated amortization, disclosed separately from other capital assets is as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Lease assets being amortized:				
Buildings	\$ 1,708	\$ -	\$ -	\$ 1,708
Machinery and equipment	1,116	65	-	1,181
Vehicles	394	208	(34)	568
Total leased assets being amortized	<u>3,218</u>	<u>273</u>	<u>(34)</u>	<u>3,457</u>
Less accumulated amortization:				
Buildings	200	254	-	454
Machinery and equipment	261	272	-	533
Vehicles	101	125	(18)	208
Total accumulated amortization	<u>562</u>	<u>651</u>	<u>(18)</u>	<u>1,195</u>
Total, net of accumulated amortization	<u>\$ 2,656</u>	<u>\$ (378)</u>	<u>\$ (16)</u>	<u>\$ 2,262</u>

Included in facilities is a building that the University subleases. The lease and sublease of the facility are accounted for as two separate transactions as both a lessee and a lessor. The right-to-use asset, net of amortization, and the lease liability as of June 30, 2023 were \$1,215 and \$1,277, respectively. At June 30, 2023, the University reported a lease receivable and deferred inflow of resources of \$1,267 and \$1,215, respectively.

As of June 30, 2023, the principal and interest requirements to maturity for the lease liability is as follows:

	Principal	Interest	Total
2024	\$ 541	\$ 37	\$ 578
2025	313	30	343
2026	283	23	306
2027	241	18	259
2028	205	13	218
2029-2032	<u>753</u>	<u>20</u>	<u>773</u>
Total	<u>\$ 2,336</u>	<u>\$ 141</u>	<u>\$ 2,477</u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 8: Subscription Liabilities

The University has various subscription-based information technology arrangements (SBITAs), the terms of which expire in various years through 2027. Variable payments of certain subscriptions are based upon the Consumer Price Index (Index). The subscriptions were measured based upon the Index at commencement of the SBITA term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance.

During the year ended June 30, 2023, the University recognized \$248 of subscription expense for variable payments not previously included in the measurement of the subscription liability.

The following is a schedule by year of payments under the SBITAs as of June 30, 2023:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,455	\$ 191	\$ 2,646
2025	2,055	105	2,160
2026	1,302	46	1,348
2027	<u>993</u>	<u>5</u>	<u>998</u>
	<u>\$ 6,805</u>	<u>\$ 347</u>	<u>\$ 7,152</u>

Note 9: Pension Plans

Substantially all non-student employees are covered by one of three retirement plans. The University faculty is covered by the State Teachers Retirement System of Ohio (STRS Ohio). Non-faculty employees are covered by the Ohio Public Employees Retirement System of Ohio (OPERS). Employees may opt out of STRS Ohio and OPERS and participate in the Alternative Retirement Plan (ARP). See Note 10 for additional information on the ARP.

OPERS and STRS Ohio are cost-sharing, multiple-employer statewide retirement systems each comprised of three separate plans: (1) a defined benefit plan, (2) a defined contribution plan, and (3) a combined defined benefit/defined contribution plan. Each of the three options is discussed in greater detail in the following sections. In addition to retirement benefits, the systems also provide disability, survivor and postretirement health benefits to qualifying members of the defined benefit plan, combined plan and beneficiaries. Benefits provided under the plans are established by state statute.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Defined Benefit Plans

Both STRS Ohio and OPERS (traditional and combined plans) are cost-sharing multiple-employer statewide retirement systems. Both plans provide retirement, disability, postretirement health care coverage, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute.

STRS Ohio and OPERS issue stand-alone financial reports. Copies of these reports may be obtained by visiting the STRS website at www.strsoh.org, or visiting the OPERS website at www.opers.org.

Benefits Provided

STRS Ohio plan benefits are established under Chapter 3307 of the Ohio Revised Code (ORC), as amended by Substitute Senate Bill 342 in 2012, which gives the Retirement Board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the cost-of-living adjustment as the need or opportunity arises, depending on the retirement system's funding progress.

Any member in the STRS Ohio plan may retire who has (1) five years of service credit and attained age 60; (2) 28 years of service credit and attained age 55; or (3) 30 years of service credit regardless of age. Beginning August 1, 2015, eligibility requirements for an unreduced benefit changed. The maximum annual retirement allowance, payable for life, considers years of credited service, final average salary (3-5 years) and multiplying by a factor ranging from 2.2 percent to 2.6 percent with 0.1 percent incremental increases for years greater than 30-31, depending on retirement age. Additionally, there are no cost-of-living adjustments.

A plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. Additionally, eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least 10 years of qualifying service credit to apply for disability benefits.

A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the plan. Death benefit coverage up to \$2,000 can be purchased by participants in all three of the plans. Various other benefits are available to members' beneficiaries.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

OPERS plan benefits are established under Chapter 145 of the Ohio Revised Code, as amended by Substitute Senate Bill 343 in 2012. The requirements to retire depend on years of service (15 to 30 years) and from attaining the age of 48 to 62, depending on when the employee became a member. Members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit. Member retirement benefits are calculated on a formula that considers years of service (15-30 years), age (48-62 years) and final average salary, using a factor ranging from 1.0 percent to 2.5 percent.

A plan member who becomes disabled before age 60 or at any age, depending on when the member entered the plan, and has completed 60 contributing months is eligible for a disability benefit.

A death benefit of \$500-\$2,500 is determined by the number of years of service credit of the retiree. Benefits may transfer to a beneficiary upon death with 1.5 years of service credits with the plan obtained within the last 2.5 years, except for law enforcement and public safety personnel, who are eligible immediately upon employment.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3 percent.

Contribution Requirements

The STRS Plan employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory employer rate and member contribution rate is 14.0 percent of covered payroll (for both pension and OPEB and the Plan determines how much to allocate to OPEB each year). For STRS Ohio, the University contributed \$10,225 for the year ended June 30, 2023.

OPERS plan contributions are established under Chapter 145 of the Ohio Revised Code, as amended by Substitute Senate Bill 343 in 2012. During calendar years 2020 and 2019 and forward, employees covered by the OPERS system were required by state statute to contribute 10.0 percent of their salary to the plan. The University was required to contribute 14.0 percent of covered payroll, and the Plans determine how much to allocate to OPEB each year. Law enforcement employees who are a part of the OPERS law enforcement division contribute 13.0 percent of their salary to the plan for the calendar year. For these employees, the University was required to contribute 18.1 percent of covered payroll for the same years. The member contribution rate for all other employees and the University's contribution rate remained unchanged. The University contributed \$14,462 for the year ended June 30, 2023. For 2023, no portion of employer contributions to OPERS were allocated to health care (OPEB) for members in the Traditional Plan.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The payroll for employees covered by STRS Ohio for the year ended June 30, 2023 was approximately \$73,036. The payroll for employees covered by OPERS for the year ended June 30, 2023 was approximately \$102,408.

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

At June 30, 2023, the University reported a liability of \$319,246 for its proportionate share of the net pension liability for the OPERS Traditional plan and the STRS Ohio plan, in the amounts of \$170,385 and \$148,861, respectively. The net pension liability was measured as of December 31, 2022 for the OPERS traditional plan and June 30, 2022 for the STRS Ohio plan. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of the same date for each plan. The amount used to allocate the net pension liability, deferred inflows/outflows and pension expense was based on the contributions during the measurement period which was determined by the OPERS Traditional plan and STRS Ohio plan to be a reliable approximation of long-term contribution effort to the two plans. At the measurement date, the University's proportion was .576792 percent for OPERS Traditional, which was a decrease of .010120 from its proportion measured as of December 31, 2021 and .669637 percent for STRS Ohio, which was a decrease of .001449 from its proportion measured as of June 30, 2021.

At June 30, 2023, the University reported an asset of \$1,619 for its proportionate share of the net pension asset for the OPERS Combined plan. The net pension asset was measured as of December 31, 2022. The method used to calculate the net pension asset was determined by an actuarial valuation as of that date. The amount used to allocate the net pension asset, deferred inflows/outflows and pension expense was based on the contributions during the measurement period which was determined by the OPERS Combined plan and to be a reliable approximation of long term contribution effort to the plan. At the measurement date, the University's proportion was .686863 percent for OPERS Combined plan, which was an increase of .007601 from its proportion measured as of December 31, 2021.

For the year ended June 30, 2023, the University recognized pension expense of approximately \$4,525 consisting of pension expense of approximately \$4,898 for the OPERS Traditional plan, pension income of approximately \$169 for the STRS Ohio plan and pension income of \$204 for the OPERS Combined plan.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

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

	<u>STRS Ohio</u>	<u>OPERS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual actuarial experience	\$ 1,906	\$ 5,759	\$ 7,665
Changes in assumptions	17,814	1,907	19,721
Net difference between projected and actual earnings on pension plan investments	5,180	49,155	54,335
Changes in proportion and differences between University contributions and proportionate share of contributions	-	162	162
University contributions subsequent to the measurement date	10,225	6,618	16,843
	<u>\$ 35,125</u>	<u>\$ 63,601</u>	<u>\$ 98,726</u>
Deferred inflows of resources			
Differences between expected and actual actuarial experience	\$ 569	\$ 232	\$ 801
Changes in assumptions	13,409	-	13,409
Changes in proportion and differences between University contributions and proportionate share of contributions	12,935	3,509	16,444
	<u>\$ 26,913</u>	<u>\$ 3,741</u>	<u>\$ 30,654</u>

Deferred inflows and outflows of resources related to the net difference between projected and actual earnings on pension plan investments are amortized over five years. The remaining deferred inflows and outflows of resources are amortized over the average remaining service lives of the active and inactive participants in the plan. Deferred outflows of resources includes \$16,843 for the year ended June 30, 2023, for University contributions subsequent to the measurement dates of the Plans and will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

	<u>STRS Ohio</u>	<u>OPERS</u>	<u>Total</u>
Year ended June 30:			
2024	\$ (4,214)	\$ 4,806	\$ 592
2025	(4,877)	10,703	5,826
2026	(7,961)	13,838	5,877
2027	15,039	23,842	38,881
2028	-	9	9
Thereafter	-	44	44
	<u>\$ (2,013)</u>	<u>\$ 53,242</u>	<u>\$ 51,229</u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Actuarial Assumptions Used for the Year-Ended June 30, 2023

For STRS Ohio, the total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

STRS Ohio	
Projected salary increases	Varies by service from 2.5% to 8.5%
Wage Inflation	3.00 percent
Investment rate of return	7.00 percent, net of investment expenses, including inflation
Discount rate of return	7.00 percent

For OPERS, the total pension liability/asset in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	OPERS	Traditional Pension Plan	Combined Plan
Wage Inflation	2.75 percent		2.75 percent
Projected salary increases	2.75 percent to 10.75 percent (includes wage inflation at 2.75 percent)	2.75 percent to 8.25 percent (includes wage inflation at 2.75 percent)	2.75 percent
Investment rate of return and discount rate	6.90 percent		6.90 percent
Cost-of-living adjustments (COLA)	Pre January 7, 2013 retirees: 3.00 percent simple Post January 7, 2013 retirees: 3.00 percent simple through 2023, then 2.05 percent simple		Pre January 7, 2013 retirees: 3.00 percent simple Post January 7, 2013 retirees: 3.00 percent simple through 2023, then 2.05 percent simple

Mortality Rates: STRS Ohio post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

OPERS pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Experience Studies: STRS actuarial assumption used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. OPERS actuarial assumptions used in the December 31, 2021 valuation are based on the results of an actual experience study for the period January 1, 2016 through December 31, 2020.

Investment Return Assumptions: STRS Ohio utilizes investment consultants to develop an estimated range for the investment return assumption based on the target allocation adopted by the respective Retirement Board of STRS Ohio.

The long-term expected rate of return on OPERS defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage, adjusted for inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	STRS Ohio		OPERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	26.00 %	6.60 %	22.00 %	4.60 %
International equities	22.00	6.80	21.00	5.51
Alternative investments/Private	19.00	7.38	15.00	7.53
Fixed income	22.00	1.75	22.00	2.62
Real estate	10.00	5.75	13.00	3.27
Risk parity	-	-	2.00	4.37
Other	1.00	1.00	5.00	3.27
Total	100.00 %		100.00 %	

Discount Rate: The discount rate used to measure the total pension liability was 7.00 percent for STRS as of the measurement date (June 30, 2022). The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS Ohio's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00% was applied to all periods of projected benefit payments to determine the total pension liability.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The discount rate used to measure the total pension liability (asset) was 6.90 percent for OPERS as of the measurement date (December 31, 2022). The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of Net Pension Liability (Asset) to Changes in Discount Rate: The following presents the University's proportionate share of the STRS Ohio and OPERS net pension liability (asset) calculated using a discount rate 1 percent higher and 1 percent lower than the plans' current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
STRS Ohio	\$ 224,875	\$ 148,861	\$ 84,577
	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
OPERS - Traditional Plan	\$ 255,230	\$ 170,385	\$ 99,808
OPERS - Combined Plan	(845)	(1,619)	(2,232)

Note 10: Defined Contribution Retirement Plans

Full-time faculty and unclassified employees are eligible to participate in the Alternative Retirement Plan (ARP) offered by STRS Ohio and OPERS. Full-time faculty and unclassified employees are eligible to choose a provider, in lieu of STRS Ohio or OPERS, from the list of six providers currently approved by the Ohio Department of Insurance and who hold agreements with the University. The University's Board of Trustees has established the employer and employee contributions requirements, which are noted below.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Eligible employees have 120 days from their date of hire to make an irrevocable election to participate in the ARP. Under this plan, employees who would have otherwise been required to be in STRS Ohio or OPERS, and who elect to participate in the ARP, must contribute the employee's share of retirement contributions to one of seven private providers approved by the Ohio Department of Insurance. The legislation mandates that the employer must contribute an amount to the state retirement system to which the employee would have otherwise belonged, based on an independent actuarial study commissioned by the Ohio Retirement Study Council and submitted to the Ohio Board of Regents. The required contribution was 2.91 percent for STRS Ohio and 2.24 percent for OPERS of covered payroll for the year ended June 30, 2023. The employer also contributes what would have been the employer's contribution under STRS Ohio or OPERS, less the aforementioned percentages, to the private provider selected by the employee. The University plan provides these employees with vesting after one year. The pension expense for the ARP was \$8,700 for the year ended June 30, 2023.

ARP does not provide disability benefits, annual cost-of-living adjustments, postretirement health care benefits, or death benefits to plan members and beneficiaries. Benefits consist of the sum of contributions and investment returns earned by each participant's choice of investment options.

The payroll for employees electing the alternative retirement program for the year ended June 30, 2023 was approximately \$79,295.

OPERS also offers a defined contribution plan, the Member-Directed Plan (MD). The MD plan does not provide disability benefits, annual cost-of-living adjustments, postretirement health care benefits or death benefits to plan members and beneficiaries. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options. Effective, January 1, 2022, members were no longer able to select this option.

STRS Ohio also offers a defined contribution plan in addition to its long established defined benefit plan. All employee contributions and employer contributions at a rate of 9.53% are placed in an investment account directed by the employee. Disability benefits are limited to the employee's account balance. Employees electing the defined contribution plan receive no postretirement health care benefits.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Note 11: Postemployment Benefits Other Than Pensions (OPEB) Plans

OPEB Plans

STRS Ohio is a cost-sharing multiple employer statewide retirement plan. STRS Ohio provides access to health care coverage for eligible retirees who participated in the Defined Benefit or Combined Plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees and prescription drugs and reimbursement of a portion of the monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by the plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Benefit recipients contributed \$224.5 million or 54% of the total health care costs in fiscal 2022 (excluding deductibles, coinsurance and copayments).

Medicare Part D is a federal program to help cover the costs of prescription drugs for Medicare beneficiaries. This program allows STRS Ohio to recover part of the cost for providing prescription coverage since all eligible STRS Ohio health care plans include creditable prescription drug coverage. For the year ended June 30, 2022, STRS Ohio received \$97.7 million in Medicare Part D government reimbursements.

The ORC permits, but does not require, OPERS to offer post-employment health care coverage. Authority to establish and amend health care coverage is provided in Chapter 145 of the ORC. The ORC allows a portion of the employers' contributions to be used to fund health care coverage. The health care portion of the employer contribution rate for the Traditional Pension Plan and Combined Plan is comparable, as the same coverage options are provided to participants in both plans. Beginning January 1, 2015, the service eligibility criteria for health care coverage increased from 10 years to 20 years with a minimum age of 60, or 30 years of qualifying service at any age. Beginning with January 2016 premiums, Medicare-eligible retirees could select supplemental coverage, and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage for non-Medicare retirees includes hospitalization, medical expenses and prescription drugs. The System determines the amount, if any, of the associated health care costs that will be absorbed by the System and attempts to control costs by using managed care, case management, and other programs. Additional details on health care coverage can be found in the Plan Statement in the OPERS 2022 Annual Comprehensive Financial Report.

The OPERS funding policy provides for periodic member and employer contributions at rates established by the Board, subject to limits set in statute. With assistance of the System's actuary and Board approval, a portion of each employer contribution to OPERS may be set aside for the funding of post-employment health care coverage. All contribution rates were within the limits authorized by the ORC. The portion of Traditional Pension Plan and Combined Plan employer contributions allocated to health care was zero for 2022.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

STRS Ohio and OPERS issue stand-alone financial reports. Copies of these reports may be obtained by visiting the STRS website at www.strsoh.org, or visiting the OPERS website at www.opers.org.

The payroll for employees covered by STRS Ohio for the year ended June 30, 2023 was approximately \$73,036. The payroll for employees covered by OPERS for the year ended June 30, 2023 was approximately \$102,408. There were no employer contributions made to fund post-employment benefits for the year ended June 30, 2023.

OPEB Liability and Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:

At June 30, 2023, the University reported a liability of \$3,722 for its proportionate share of the net OPEB liability for the OPERS plan. The net OPEB liability was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. The amount used to allocate the net OPEB liability, deferred inflows/outflows and OPEB expense was based on the total employer (pension and OPEB) contributions during the measurement period which was determined by the OPERS plan to be a reliable approximation of long-term contribution effort to the plan. At the measurement date, the University's proportion was .590269 percent for OPERS, which was a decrease of .008633 from its proportion measured as of December 31, 2021.

At June 30, 2023, the University reported an asset of \$17,339 for its proportionate share of the net OPEB asset for the STRS Ohio plan. The net OPEB asset was measured as of June 30, 2022 for the STRS Ohio plan. The total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of that date for the plan. The amount used to allocate the net OPEB asset, deferred inflows/outflows and OPEB expense was based on the total employer (pension and OPEB) contributions during the measurement period which was determined by the STRS Ohio plan to be a reliable approximation of long-term contribution effort to the plan. At the measurement date, the University's proportion was .669637 percent for STRS Ohio, which was a decrease of .001449 from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the University recognized OPEB income of approximately \$13,015 consisting of OPEB income of approximately \$9,774 for the OPERS plan and \$3,241 for the STRS Ohio plan.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

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

	<u>STRS Ohio</u>	<u>OPERS</u>	<u>Total</u>
Deferred outflows of resources:			
Differences between expected and actual actuarial experience	\$ 251	\$ -	\$ 251
Net difference between projected and actual earnings on OPEB plan investments	302	7,392	7,694
Changes in assumptions	739	3,635	4,374
Changes in proportion and differences between University contributions and proportionate share of contributions	<u>1</u>	<u>74</u>	<u>75</u>
Total	<u>\$ 1,293</u>	<u>\$ 11,101</u>	<u>\$ 12,394</u>
Deferred inflows of resources:			
Differences between expected and actual actuarial experience	\$ 2,604	\$ 928	\$ 3,532
Changes in assumptions	12,295	299	12,594
Changes in proportion and differences between University contributions and proportionate share of contributions	<u>182</u>	<u>452</u>	<u>634</u>
Total	<u>\$ 15,081</u>	<u>\$ 1,679</u>	<u>\$ 16,760</u>

Deferred inflows and outflows of resources related to the net difference between projected and actual earnings on OPEB plan investments is amortized over five years. The remaining deferred inflows and outflows of resources are amortized over the average remaining service lives of the active and inactive participants in the plan. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (benefit) as follows:

	<u>STRS Ohio</u>	<u>OPERS</u>	<u>Total</u>
Year ended June 30:			
2024	\$ (4,094)	\$ 1,025	\$ (3,069)
2025	(3,962)	2,639	(1,323)
2026	(1,876)	2,213	337
2027	(784)	3,545	2,761
2028	(1,020)	-	(1,020)
Thereafter	<u>(2,052)</u>	<u>-</u>	<u>(2,052)</u>
	<u>\$ (13,788)</u>	<u>\$ 9,422</u>	<u>\$ (4,366)</u>

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

For STRS Ohio, the total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

STRS Ohio

Projected salary increases	Varies by service from 2.5% to 8.5%
Projected payroll increases	3.00 percent
Investment rate of return	7.00 percent, net of investment expenses, including inflation
Discount rate	7.00 percent
Health care cost trends	
Medical	
Pre-Medicare	7.50 percent initial, 3.94 percent ultimate
Medicare	(68.78) percent initial, 3.94 percent ultimate
Prescription Drug	
Pre-Medicare	9.0 percent initial, 9.94 percent ultimate
Medicare	(5.47) percent initial, 3.94 percent ultimate

For OPERS, the total OPEB liability at the December 31, 2022 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

OPERS

Single discount rate	5.22 percent
Investment rate of return	6.00 percent
Municipal bond rate	4.05 percent
Wage inflation	2.75 percent
Projected salary increases	2.75 percent to 10.75 percent (includes wage inflation)
Health care cost trends	5.5 percent initial, 3.50 percent ultimate in 2036

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Actuarial Assumptions Used For The Year-Ended June 30, 2023

Mortality Rates: For STRS Ohio healthy retirees, the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

OPERS pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females) for State and Local Government divisions and 170% of the Pub-2010 Safety Employee Mortality tables (males and females) for the Public Safety and Law Enforcement divisions. Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females) for all divisions. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females) for all divisions. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

Experience Studies: STRS actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021. OPERS actuarial assumptions used in the December 31, 2021 valuation are based on the results of an actuarial experience study for the period 2016 through 2020.

Investment Return Assumptions: STRS Ohio utilizes investment consultants to develop an estimated range for the investment return assumption based on the target allocation determined by the respective Retirement Board of STRS Ohio.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The long-term expected rate of return on OPERS health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return were developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage, adjusted for inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	STRS Ohio		OPERS	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	26.00 %	6.60 %	26.00 %	4.60 %
International equities	22.00	6.80	25.00	5.51
Alternative investments	19.00	7.38	2.00	4.37
Fixed income	22.00	1.75	34.00	2.56
Real estate	10.00	5.75	-	-
REITs	-	-	7.00	4.70
Other	1.00	1.00	6.00	1.84
Total	<u>100.00 %</u>		<u>100.00 %</u>	

Discount Rate: For STRS Ohio the discount rate used to measure the total OPEB asset at the measurement date was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS Ohio continues to allocate no employer contributions to the health care fund. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care fund investments of 7.00% was applied to all periods of projected health care costs to determine the total OPEB asset as of June 30, 2022.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

For OPERS, a single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022; however, the single discount rate used at the beginning of the year was 6.00%. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00% and a municipal bond rate of 4.05%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2054. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

The following presents the University's proportionate share of the STRS Ohio and OPERS net OPEB (asset) liability calculated using a discount rate 1 percent higher and 1 percent lower than the plans' current rate:

	1% Decrease (6.00%)		Current Discount Rate (7.00%)		1% Increase (8.00%)
STRS Ohio	\$ (16,030)	\$	(17,339)	\$	(18,461)
	1% Decrease (4.22%)		Current Discount Rate (5.22%)		1% Increase (6.22%)
OPERS	\$ 12,667	\$	3,722	\$	(3,660)

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Sensitivity of Net OPEB (Asset) Liability to Changes in Healthcare Cost Trend Rates: The following presents the University’s proportionate share of the STRS Ohio and OPERS net OPEB (asset) liability calculated using healthcare cost trend rates 1 percent higher and 1 percent lower than the plans’ current rate:

	1% Decrease		Current Health Care Cost Trend Rate		1% Increase
STRS Ohio	\$ (17,985)	\$	(17,339)	\$	(16,524)
OPERS	3,488		3,722		3,984

OPEB Plan Fiduciary Net Position:

Detailed information about the OPEB plans’ fiduciary net position is available in the separately issued STRS Ohio and OPERS financial report.

Note 12: Discretely Presented Component Unit

The Miami University Foundation (the Foundation) is a separate not-for-profit entity organized for the purpose of promoting educational and research activities of the University. Since the resources held by the Foundation can be used only by and for the benefit of the University, the Foundation is considered a component unit of the University and is discretely presented in the University’s financial statements.

The Foundation board (Board) is comprised of at least fifteen directors that are elected by the Board and eight directors that are appointed by Miami University. At least two-thirds of the elected directors are required to be alumni or former students of Miami University. The Foundation issues reports using standards issued by the Financial Accounting Standards Board.

Amounts received by the University from the Foundation are restricted and are included in gifts in the accompanying financial statements. The Foundation values its investments at fair value.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Summary financial information for the Foundation as of June 30, 2023, the date of its most recent audited financial report, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets at end of year	\$ 4,458	\$ 469,376	\$ 473,834
Change in net assets for the year	153	35,143	35,296
Distributions to Miami University	20,635	-	20,635

Cash and Cash Equivalents

Cash and cash equivalents consists primarily of cash in banks, money market accounts, and the State Treasury Asset Reserve of Ohio (STAR Ohio) that include short-term, highly liquid investments readily convertible to cash, with an original maturity of three months or less. The Foundation maintains active relationships with multiple cash equivalent accounts to reduce its exposure to custodial credit risk at any single institution. The carrying amounts of these items are a reasonable estimate of their fair value.

Investments

Investments that are market traded are recorded at fair value based primarily on quoted market prices, as established by the major securities markets.

The value of holdings of non-publicly traded funds that do not have a readily determined market value is based on the funds' estimated net asset value as supplied by the investment manager. The values are reviewed and evaluated by Foundation management. Market prices are not available for certain investments. These investments are carried at estimated fair value provided by the funds' management. Some valuations are determined as of June 30, while the remaining valuations are determined based on March 31 or December 31 information when June 30 information is not yet available and adjusted by cash receipts, cash disbursements, and securities distributions and unrealized gains and losses through June 30. The Foundation believes that the carrying amounts are reasonable estimates of fair value as of year-end. Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed. Such differences could be material.

The issuing insurance companies determine the cash surrender value of the life insurance policies annually.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

All donor-restricted endowment investments and board-designated endowments are managed in a unitized investment pool (Pooled Funds), unless donor-restricted endowment gift agreements require that they be held separately. For the Pooled Funds, the fair value of the investments is determined at the end of each month and the incremental fair value increase or decrease is allocated to the individual fund accounts based on the number of shares the fund owns at the beginning of the month.

Investment income is recorded on the accrual basis and purchases and sales of investments are recorded on a trade-date basis. Investment transactions occurring on or before June 30, which settle after such date, are recorded as receivables or payables. Net dividend and interest income as well as gains/losses are allocated based on the number of shares owned.

Long-Term Investments

Investments held by the Foundation as of June 30, 2023 were:

	Fair Value
Investment description:	
Pooled Investment Fund (PIF):	
Strategic Investment Management, LLC funds	\$ 329,446
Various private capital investments	168,625
Hedge funds	133,674
Government bonds	50,932
Global credit funds	15,216
Other	2,642
Public equities	5
Split-interest funds:	
Charitable remainder trusts	10,774
Charitable gift annuities	1,116
Pooled income funds	467
Total	\$ 712,897

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The Foundation maintains a diversified investment portfolio for the Pooled Investment Fund (PIF) intended to reduce market risk, credit risk, and interest rate risk with a strategy designed to take advantage of market inefficiencies. Beginning in fiscal year 2019, management of the PIF was delegated by the Board of the Foundation to an external investment firm, Strategic Investment Management, LLC. The external investment firm has discretion to manage the PIF within the framework of the investment policy statement. Additionally, the external investment firm has implemented a combination of internally and externally managed investment vehicles, including separate accounts, limited partnerships, and commingled funds. The Foundation's investment portfolio also includes publicly traded securities and the underlying holdings for certain non-publicly traded funds includes publicly traded securities. As a result, a significant downturn in the securities markets could adversely affect the market value of Foundation assets. As of June 30, 2023, the Foundation has made commitments to limited partnerships of approximately \$144,148 that have not yet been funded, some of which management expects may not be called by the partnerships due to the life-cycle of the respective partnerships.

Fair Value Measurements

The Foundation uses fair value measurements to record the fair value of certain assets and liabilities and to determine fair value disclosures. Financial assets and liabilities recorded on the Statement of Financial Position are categorized based on the inputs and valuation techniques as follows:

Level 1 – Quoted prices that are available in active markets as of the report date. The quoted market prices are from those securities traded on an active exchange such as the New York Stock Exchange, NASDAQ or an active over-the-counter market.

Level 2 – Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the report date.

Level 3 – Inputs that are unobservable including the Foundation's own assumptions in determining the fair value of investments or liabilities.

If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Liabilities associated with the split-interest funds represent the present value of the expected payments to the beneficiaries over the terms of the agreements.

The Foundation assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer in accordance with the Foundation's accounting policy regarding the recognition of transfers between levels of the fair value hierarchy.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The following table presents the fair value hierarchy for the balances of the assets and liabilities of the Foundation measured at fair value on a recurring basis as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Investment assets:				
Public equities	\$ 4,955	\$ -	\$ -	\$ 4,955
Government bonds	-	50,932,371	-	50,932,371
Other	619,165	18,613	199,749	837,527
Split-interest funds:				
Charitable remainder trusts	10,774,015	-	-	10,774,015
Charitable gift annuities	1,116,372	-	-	1,116,372
Pooled income funds	466,633	-	-	466,633
	<u>\$ 12,981,140</u>	<u>\$ 50,950,984</u>	<u>\$ 199,749</u>	<u>\$ 64,131,873</u>
Funds reported at fair value based on net asset value: ^(a)				
Non-publicly traded funds:				
Strategic Developed Markets ex-US Equity Trust				71,542,202
Strategic Emerging Markets Equity Trust				60,826,771
Strategic Global Equity Trust				56,441,635
Strategic U.S. Equity Trust				140,635,009
Strategic SPC Alpha Segregated Portfolio				133,674,584
Global credit funds				15,215,778
Various private capital investments				168,624,599
Total non-publicly traded funds reported at fair value based on net asset value				<u>646,960,578</u>
Total investment assets				<u>\$ 711,092,451</u>
Investment liabilities:				
Split-interest funds:				
Charitable remainder trusts	\$ -	\$ -	\$ 2,283,722	\$ 2,283,722
Charitable gift annuities	-	-	1,017,121	1,017,121
Pooled income funds	-	-	8,277	8,277
Total investment liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,309,120</u>	<u>\$ 3,309,120</u>

- (a) In accordance with ASC Subtopic 820-10, certain investments that are measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Financial Position.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

The following table sets forth the significant terms of the agreements with non-publicly traded funds reported at fair value based on net asset value at June 30, 2023:

	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Strategic Investment Management, LLC funds				
Strategic Developed Markets ex-US Equity Trust ^(a)	\$ 71,542,202	\$ -	monthly	30 days
Strategic Emerging Markets Equity Trust ^(b)	60,826,771	-	monthly	30 days
Strategic Global Equity Trust ^(c)	56,441,635	-	monthly	30 days
Strategic U.S. Equity Trust ^(d)	140,635,009	-	monthly	30 days
Strategic SPC Alpha Segregated Portfolio ^(e)	133,674,584	-	quarterly	90 days
Global credit funds ^(f)	15,215,778	-	monthly/quarterly	15-365 days
Various private capital investments ^(g)				
Private equity	96,967,485	118,401,283	illiquid	not applicable
Private debt	24,551,047	8,289,002	illiquid	not applicable
Private natural resources	20,670,478	2,248,630	illiquid	not applicable
Private real estate	26,435,589	15,208,735	illiquid	not applicable
Total	<u>\$ 646,960,578</u>	<u>\$ 144,147,650</u>		

- (a) This fund generally invests in long positions in publicly traded equity securities focusing in developed economies outside of the United States including Western Europe and Asia, as well as futures and options in such securities and certain stock indices.
- (b) This fund generally invests in long positions in a diversified equity portfolio of publicly traded securities focusing in markets outside of the United States and Western Europe, including Asia and Latin America as well as Eastern Europe, Africa and the less developed Mediterranean economies.
- (c) This fund generally invests in long positions in global publicly traded equity securities as well as futures and options on such securities and certain stock indices.
- (d) This fund generally invests in long positions in domestic publicly traded equity securities as well as futures and options in such securities and certain stock indices.
- (e) This fund generally invests in hedge funds that invest in both long and short positions in publicly traded equity and debt securities on a global basis. Most debt securities are sub-investment grade and may be hard to price due to thin trading volumes. The various strategies collectively target a market neutral position.
- (f) This class includes primarily investments in public and private debt securities on a global basis with sub-investment grade credit ratings, such as bank loans and high yield bonds.
- (g) This class includes primarily investments in limited partnerships. These funds are illiquid that, in general, do not offer access to redemptions during the life of the partnership. Capital is periodically called, invested, and then returned over time. Typically, these partnerships have a life exceeding ten years and may take up to twenty years before they have fully returned called capital.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Pledges Receivable

As of June 30, 2023, contributors to the Foundation have made unconditional pledges totaling \$21,655, with one pledge accounting for over 28 percent of that total. Net pledges receivable have been discounted using rates commensurate with the risks involved to a net present value of \$20,711 at June 30, 2023. Discount rates ranged from 0.6 percent to 3.60 percent. Management has set up an allowance for uncollectible pledges of \$902 at June 30, 2023. All pledges have been classified as restricted expendable net positions since they will be fulfilled within a specified period of time or meet donor-imposed stipulations.

The Foundation had also been notified of revocable pledges, bequests, and other indications of intentions to give. These potential contributions are not permitted to be recorded as they are deemed intentions to give and not promises to give.

Split-Interest Agreements

The Foundation's split-interest agreements with donors consist primarily of charitable gift annuities, pooled income funds and irrevocable charitable remainder trusts for which the Foundation serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements. Assets held for these agreements are included in investments.

Endowment

The Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the State of Ohio, provides statutory guidelines for prudent management, investment, and expenditure of donor-restricted endowment funds held by charitable organizations. The Foundation's interpretation of its fiduciary responsibilities for donor-restricted endowments under UPMIFA requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity to the extent possible and to produce maximum total return without assuming inappropriate risks. The investment policies governing these funds look beyond short-term fluctuations in economic cycles toward an investment philosophy that provides the best total return over very long time periods.

UPMIFA specifies that unless stated otherwise in the gift agreement, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure by the institution. Barring the existence of specific donor instruction, the Foundation's policy is to classify as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) changes to the endowment made in accordance with the direction of the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated appreciation on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA, and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in restricted-expendable net positions. As of June 30, 2023, funds with original gifts values of \$645, fair values of \$616, and deficiencies of \$28 were reported.

Note 13: Commitments

At June 30, 2023, the University is committed to future contractual obligations for capital expenditures of approximately \$64,286. These commitments are being funded from the following sources:

	2023
Contractual obligations:	
Approved state appropriations not expended	\$ 122
University funds and bond proceeds	64,164
Total	\$ 64,286

Note 14: Risk Management

The University’s employee health insurance program is a self-insured plan. Administration of the plan is provided by Community Insurance Company, doing business as Anthem Blue Cross and Blue Shield (Anthem). Employees are offered two plan options, a Traditional PPO Plan or a High Deductible Health Plan with a Health Savings Account.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Health insurance claims are accrued based upon estimates of the claims liabilities. These estimates are based on past experience, current claims outstanding, and medical inflation trends. As a result, the actual claims experience may differ from the estimate. An estimate of claims incurred but not reported in the amount of \$2,397 is included in the accrued salaries and wages as of June 30, 2023. The change in the total liability for actual and estimated claims is summarized below:

	2023
Liability at beginning of year	\$ 2,629
Claims incurred	46,139
Claims paid	(46,037)
Change in estimated claims incurred but not reported	(334)
Liability at end of year	\$ 2,397

To reduce potential loss exposure, the University has established a reserve for health insurance stabilization of \$20,000.

The University participates in a consortium with all other Ohio state-assisted universities (excluding The Ohio State University) for the acquisition of “All-Risk” Property and Casualty insurance. The name of the consortium is the IUC-Risk Management & Insurance Consortium (IUC-RMIC).

The “All-Risk” Property program, which has been in place for 30 years, has a loss limit of \$1,000,000 shared between all IUC-RMIC members. The Casualty program, which has been in place for 25 years and includes general liability, automobile liability and educator’s legal liability, now has a dedicated loss limit of \$50,000.

In both coverages, the University’s base deductible is \$100 with a few other deductibles applying to catastrophic property losses (namely flood and earthquake). The first layer of coverage is the Consortium’s self-insurance pool whereby all members fund this layer per the agreed-to contribution and allocation methodology. For “All-Risk” Property, the next \$400 of any covered claim is paid from the property self-insurance pool. For Casualty, the next \$1,400 of a covered claim is paid from the casualty self-insurance pool. To date, the University has had three (3) property claims and four (4) casualty claims that have exceeded the base deductible and has either been paid by the self-insurance pool or a combination of the pool and insurance. Currently, there are a few claims reserved in excess of the University’s base deductible.

Miami University
A Component Unit of the State of Ohio
Notes to Financial Statements
June 30, 2023
(Dollars in Thousands)

Further, the University identifies opportunities to transfer additional University risks through the participation in other group purchase insurance programs with its peers. Such programs include cyber liability, terrorism including limited coverage for active assailant, fine arts, foreign liability including access to security, medical and political evacuation services, special accident, medical malpractice, crime, excess social engineering, fiduciary liability and pollution liability.

The State of Ohio self-insures worker's compensation benefits for all state employees, including University employees. Under the direction of the Ohio Bureau of Worker's Compensation and the University, Careworks and Sheakley UniComp, Inc. assist in the administration and disposition of worker's compensation claims.

Note 15: Contingencies

The University receives grants and contracts from certain federal, state, and local agencies to fund research and other activities. The costs, both direct and indirect, that have been charged to the grants or contracts are subject to examination and approval by the granting agency. It is the opinion of the University's administration that any disallowance or adjustment of such costs would not have a material effect on the financial statements.

The University is presently involved as a defendant or codefendant in various matters of litigation. The University's administration believes that the ultimate disposition of any of these matters would not have a material adverse effect upon the financial condition of the University.

Required Supplementary Information

Miami University
A Component Unit of the State of Ohio
Pension Plan Data
Years Ended June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015
(In Thousands)

	STRS Ohio	OPERS Traditional	OPERS Combined
For the Year Ended June 30, 2023			
University's proportion of the net pension liability (asset)	0.669637%	0.576792%	0.686863%
University's proportionate share of the net pension liability (asset)	\$ 148,861	\$ 170,385	\$ (1,619)
University's covered payroll	72,120	89,401	2,947
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	206.41%	190.59%	-54.94%
Plan fiduciary net position as a percentage of the total pension liability	78.90%	75.74%	137.14%
For the Year Ended June 30, 2022			
University's proportion of the net pension liability (asset)	0.671086%	0.586913%	0.679262%
University's proportionate share of the net pension liability (asset)	\$ 85,804	\$ 51,064	\$ (2,676)
University's covered payroll	68,234	85,678	2,794
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	125.75%	59.60%	-95.78%
Plan fiduciary net position as a percentage of the total pension liability	87.80%	92.62%	169.88%
For the Year Ended June 30, 2021			
University's proportion of the net pension liability (asset)	0.758928%	0.621864%	0.711364%
University's proportionate share of the net pension liability (asset)	\$ 183,634	\$ 92,084	\$ (2,053)
University's covered payroll	76,683	87,736	2,861
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	239.47%	104.96%	-71.76%
Plan fiduciary net position as a percentage of the total pension liability	75.50%	86.88%	157.67%
For the Year Ended June 30, 2020			
University's proportion of the net pension liability (asset)	0.770956%	0.704723%	0.818105%
University's proportionate share of the net pension liability (asset)	\$ 170,492	\$ 139,294	\$ (1,706)
University's covered payroll	76,102	92,433	3,014
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	224.03%	150.70%	-56.60%
Plan fiduciary net position as a percentage of the total pension liability	77.40%	82.17%	145.28%
For the Year Ended June 30, 2019			
University's proportion of the net pension liability (asset)	0.776608%	0.611989%	0.674437%
University's proportionate share of the net pension liability (asset)	\$ 170,759	\$ 167,611	\$ (755)
University's covered payroll	74,262	91,878	2,996
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	229.94%	182.43%	-25.20%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	74.70%	126.64%

Miami University
A Component Unit of the State of Ohio
Pension Plan Data (Continued)
Years Ended June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015
(In Thousands)

	STRS Ohio	OPERS Traditional	OPERS Combined
For the Year Ended June 30, 2018			
University's proportion of the net pension liability (asset)	0.772173%	0.663383%	0.684872%
University's proportionate share of the net pension liability (asset)	\$ 183,431	\$ 104,072	\$ (932)
University's covered payroll	71,889	87,917	2,867
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	255.16%	118.38%	-32.51%
Plan fiduciary net position as a percentage of the total pension liability	75.30%	84.66%	137.28%
<hr/>			
For the Year Ended June 30, 2017			
University's proportion of the net pension liability (asset)	0.762848%	0.664940%	0.665441%
University's proportionate share of the net pension liability (asset)	\$ 255,348	\$ 150,997	\$ (370)
University's covered payroll	67,967	84,296	2,749
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	375.69%	179.13%	-13.46%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	77.25%	116.55%
<hr/>			
For the Year Ended June 30, 2016			
University's proportion of the net pension liability (asset)	0.750872%	0.651198%	0.664254%
University's proportionate share of the net pension liability (asset)	\$ 207,519	\$ 112,796	\$ (323)
University's covered payroll	67,064	80,840	2,636
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	309.43%	139.53%	-12.25%
Plan fiduciary net position as a percentage of the total pension liability	72.10%	81.08%	116.90%
<hr/>			
For the Year Ended June 30, 2015			
University's proportion of the net pension liability (asset)	0.718940%	0.662272%	0.650661%
University's proportionate share of the net pension liability (asset)	\$ 174,871	\$ 79,877	\$ (251)
University's covered payroll	63,215	80,662	2,630
University's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	276.63%	99.03%	-9.54%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	86.45%	114.83%

Miami University
A Component Unit of the State of Ohio
Pension Plan Data (Continued)
Last Ten Fiscal Years Ended June 30, 2023
(In Thousands)

	STRS Ohio				
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 8,095	\$ 8,095	\$ -	\$ 62,272	13.0%
2014	8,218	8,218	-	63,215	13.0%
2015	8,718	8,718	-	67,064	13.0%
2016	9,516	9,516	-	67,969	14.0%
2017	10,064	10,064	-	71,889	14.0%
2018	10,397	10,397	-	74,262	14.0%
2019	10,654	10,654	-	76,102	14.0%
2020	10,736	10,736	-	76,683	14.0%
2021	9,553	9,553	-	68,234	14.0%
2022	10,097	10,097	-	72,120	14.0%
2023	10,225	10,225	-	73,036	14.0%

	OPERS Traditional, Combined and Member-Directed				
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 9,853	\$ 9,853	\$ -	\$ 85,101	11.6%
2014	11,458	11,458	-	87,598	13.1%
2015	10,925	10,925	-	86,845	12.6%
2016	10,877	10,877	-	90,034	12.1%
2017	11,778	11,778	-	93,543	12.6%
2018	13,180	13,180	-	96,874	13.6%
2019	14,046	14,046	-	99,651	14.1%
2020	14,261	14,261	-	101,097	14.1%
2021	13,032	13,032	-	92,496	14.1%
2022	13,316	13,316	-	94,477	14.1%
2023	14,462	14,462	-	102,408	14.1%

Miami University
A Component Unit of the State of Ohio
OPEB Plan Data
Years Ended June 30, 2023, 2022, 2021, 2020, 2019 and 2018
(In Thousands)

	<u>STRS Ohio</u>	<u>OPERS</u>
For the Year Ended June 30, 2023		
University's proportion of the net OPEB (asset) liability	0.669637%	0.590269%
University's proportionate share of the net OPEB (asset) liability	\$ (17,339)	\$ 3,722
University's covered payroll	73,036	102,408
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-23.74%	3.63%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	230.70%	94.80%
For the Year Ended June 30, 2022		
University's proportion of the net OPEB (asset) liability	0.671086%	0.598901%
University's proportionate share of the net OPEB (asset) liability	\$ (14,149)	\$ (18,759)
University's covered payroll	72,120	94,477
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-19.62%	-19.86%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	174.73%	128.23%
For the Year Ended June 30, 2021		
University's proportion of the net OPEB (asset) liability	0.758928%	0.633933%
University's proportionate share of the net OPEB (asset) liability	\$ (13,338)	\$ (11,294)
University's covered payroll	68,234	92,496
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-19.55%	-12.21%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	182.13%	115.57%
For the Year Ended June 30, 2020		
University's proportion of the net OPEB (asset) liability	0.770956%	0.719379%
University's proportionate share of the net OPEB (asset) liability	\$ (12,762)	\$ 99,365
University's covered payroll	76,683	101,097
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-16.64%	98.29%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	174.74%	47.80%
For the Year Ended June 30, 2019		
University's proportion of the net OPEB (asset) liability	0.776608%	0.622400%
University's proportionate share of the net OPEB (asset) liability	\$ (12,479)	\$ 81,146
University's covered payroll	76,102	99,651
University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	-16.40%	81.43%
Plan fiduciary net position as a percentage of the total OPEB (assets) liability	176.00%	46.33%
For the Year Ended June 30, 2018		
University's proportion of the net OPEB liability	0.772173%	0.672220%
University's proportionate share of the net OPEB liability	\$ 30,127	\$ 72,999
University's covered payroll	74,262	96,874
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	40.57%	75.35%
Plan fiduciary net position as a percentage of the total OPEB liability	47.10%	54.14%

Miami University
A Component Unit of the State of Ohio
OPEB Plan Data (Continued)
Last Ten Fiscal Years Ended Jun 30, 2023
(In Thousands)

	STRS Ohio				
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 623	\$ 623	\$ -	\$ 62,272	1.0%
2014	632	632	-	63,215	1.0%
2015	671	671	-	67,064	1.0%
2016	-	-	-	67,969	0.0%
2017	-	-	-	71,889	0.0%
2018	-	-	-	74,262	0.0%
2019	-	-	-	76,102	0.0%
2020	-	-	-	76,683	0.0%
2021	-	-	-	68,234	0.0%
2022	-	-	-	72,120	0.0%
2023	-	-	-	73,036	0.0%

	OPERS Traditional, Combined and Member-Directed				
	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	University's Covered Payroll	Contributions as a Percentage of Covered Payroll
2013	\$ 2,129	\$ 2,129	\$ -	\$ 85,101	2.5%
2014	876	876	-	87,598	1.0%
2015	1,302	1,302	-	86,845	1.5%
2016	1,801	1,801	-	90,034	2.0%
2017	1,403	1,403	-	93,543	1.5%
2018	474	474	-	96,874	0.5%
2019	-	-	-	99,651	0.0%
2020	-	-	-	99,365	0.0%
2021	-	-	-	92,496	0.0%
2022	-	-	-	94,477	0.0%
2023	-	-	-	102,408	0.0%

Miami University
A Component Unit of the State of Ohio
Notes to Required Supplementary Information
Year Ended June 30, 2023

Changes in assumptions (Pension): The Retirement Boards of OPERS and STRS made no changes to the actuarial assumptions in 2022. The discount rate and investment rate of return for OPERS and STRS remained the same at 6.90 percent and 7.00 percent, respectively. The wage inflation rate remained the same at 2.75 percent and 3.00 percent, respectively, for OPERS and STRS.

Changes in assumptions (OPEB): The Retirement Board of OPERS approved two changes to the actuarial assumptions in 2022: The discount rate was decreased from 6.00 percent to 5.22 percent and the municipal bond rate was increased from 1.84 percent to 4.05 percent. The Retirement Board of STRS approved two changes to the actuarial assumptions in 2022 regarding the health care cost trends: The medical pre-Medicare rate was increased from 5.00 percent to 7.50 percent and the prescription drug pre-Medicare rate for was increased from 6.50 percent to 9.00 percent.

Changes to benefit terms (Pension): The Retirement Board of OPERS and the Retirement Board of STRS Ohio made no changes to retirement benefits compared to the prior year.

Changes to benefit terms (OPEB): For STRS Ohio, salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

Uniform Guidance Audit Requirements

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
STUDENT FINANCIAL ASSISTANCE CLUSTER				
U.S. Department of Education - Direct Programs				
Supplemental Educational Opportunities Grant Program	84.007		\$ -	\$ 970,235
College Work Study Program Federal Funds 22/23	84.033		-	429,004
TEACH Grant Program	84.379		-	963,928
Federal PELL Grant Program	84.063		-	14,797,406
Federal Perkins Loan Program	84.038		-	-
Loans outstanding at the beginning of the year			-	2,990,039
Federal Direct Student Loan Program	84.268		-	74,536,038
Total Student Financial Assistance Cluster			-	94,686,650
U.S. Department of Education				
COVID-19 Federal CARES Act-HEERF 3 Ellis	84.425F		-	500,001
Total U.S. Department of Education			-	95,186,651
RESEARCH & DEVELOPMENT CLUSTER				
U.S. Department of Agriculture				
Pass-Through Programs From				
Contributing To N And P Co-Limitation	10.310	550-1154559-84681	-	46,048
University of Buffalo: Regulatory Element Discovery in Sequenced Insect Species	10.310	R1177604	-	23,410
Recommendations In The Arkansas Delta Region	10.326	20-082-20	-	30,506
ICCI: Replacing Agricultural Residue Burning in Ecuador	10.684	G03738	-	10,000
Total U.S. Department of Agriculture			-	109,964
U.S. Department of Commerce				
Pass-Through Programs From:				
NCSU: Home Power System for Pandemic Resiliency	11.619	2022-0444-04	62,952	82,225
U.S. Department of Defense				
On Site Installation Evaluation Research Director				
Velocity-sorting And Stochastic Resonances In Cold Atom Optical Lattices:	12.XXX		-	169,702
Path Toward Efficient Nano-devices	12.431		-	103,742
Design of Robust and Responsive Protein-Polymer Bioconjugates			-	-
Guided by Magnetic Resonance	12.431		-	463
Nanoscope Imaging Of Corrosion Nucleation At Single Sites	12.910		264,629	289,218
Total Department of Defense Direct Programs			264,629	563,125
Pass-Through Programs From:				
AlphaMicron: Electronically Dimmable Eyewear Protection Devices Phase II	12.XXX	EDEPD STTR PII-01	-	195
ARCTOS: Research and Development of Advanced Propulsion-Driven Technologies:			-	-
Electrical Power Generation	12.XXX	212014.05.00.2016.00.22-C2	-	12,710
DEC: Machine Learning for EW Environment Prediction	12.XXX	J061 PO#10476	-	86,284
Navigation and Time-Keeping with AFRL	12.XXX	RF01307198	-	(1)
DARPA Shade AIE Phase I	12.XXX	G03673	-	101,500
Sonalysts: A Software Toolkit For Predicting The Neural Signatures of			-	-
Cognitive States (Phase II)	12.XXX	20200004-S	-	91,008
Wandersman Center: DoD OFR High Risk Prevention Audit	12.XXX	G03515	-	2,008
Attachment of Liquid Metal Particles to Silk Substrates	12.630	RX27-MU-21-5-AFRL2	-	24,174
Deep Learning Navigation Applications with Synthetic Aperture Radar Data	12.800	SUB00002604-2	-	26,597
Montana State Univ- Cornell Univ: Synthesis, Characterization and Delivery of			-	-
Immune Stimulating Materials	12.910	G03824	-	6,543
Total U.S. Department of Defense Pass-Through Programs			-	351,018
Total U.S. Department of Defense			264,629	914,143

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of the Interior				
Species Boundaries of Hyalella Amphipods in the Great Basin and Surrounding Regions	15.247		\$ -	\$ 5,499
Identifying an Emerging Lake Whitefish Restoration Barrier in the Great Lakes: Habitat-Mediated Exposure to UV Radiation	15.608		-	26,622
Population Genetic Analysis and Clonality Assessment of Scutellaria Floridaana and Hymenocallis Henryae to Inform Recovery and Listing Efforts	15.630		-	16,724
Developing a Genomic Approach to Determining Parentage in Lampsilis Streckeri Genetics of Scutellaria Floridaana and Hymenocallis Henryae	15.657		-	8,892
	15.664		-	68
Investigating Access and Barriers to use of the San Diego Emergency App for ShakeAlert Through a Multi-Method Approach: Collaborative Research with Miami University and the Incorporated Research Institutions for Seismology	15.807		-	708
Texas Hornshell, Popenaias Popeii, in the Black River - Field and Laboratory Studies of Sublethal Thermal and Hypoxia Stress	15.808		-	17,899
Acid Precipitation Monitoring Site OH 09	15.808		-	6,066
Evaluating of Changing Climate And Water Clarity Can Affect Restoration of Native Coregonines in Midwestern Lakes	15.808		-	91,858
Using soil geochemistry to map historic and late Holocene floodplains, Four Mile Creek, Ohio Settlement, Four Mile Creek, Southwestern Ohio	15.810		-	10,735
	15.810		-	(81)
Total U.S. Department of the Interior Direct Programs			-	184,990
Pass-Through Programs From:				
Kentucky Waterways Alliance: Dating Mussel Shells From Historical or Prehistoric Muskrat Middens	15.XXX	G03521	-	2,354
Total U.S. Department of the Interior			-	187,344
U.S. Department of Justice				
Pass-Through Programs From:				
BCMHB: Evaluation of Butler County HOPE Initiative	16.582	BCMHARS-OVC-	-	2,658
Site-Based Program (COSSAP)	16.838	BCMHARS-COAP-	-	12,950
Total U.S. Department of Justice			-	15,608
U.S. Department of State				
Pass-Through Programs:				
TO Address Global Health And Economic Disparities	19.040	45-2402-1031-302	-	695
U.S. Department of the Treasury				
Pass-Through Programs:				
Miami Tribe: Development of Myaamia Ethnobotanical Database and Myaamia Web Portal	21.027	00029106-3	-	183,331
Miami Tribe: Development of Myaamia Ethnobotanical Database and Myaamia Web Portal	21.027	00029106-3	-	3,982
Total U.S. Department of the Treasury			-	187,313
National Aeronautics & Space Administration:				
The Impact of Rapidly Growing Urban Areas On Peri-Urban Agriculture, Regional Hydrometeorology, Food Security and Human Health	43.001		-	67,542
Contributing to the NASA Wildfire Applications Program: An Invited Science Mission Directorate Proposal	43.001		-	52,356
Land-cover/Land-use Change in Southern Vietnam Through the Lenses of Conflict, Religion, and Politics, 1980s to Present	43.001		4,324	6,203
Total National Aeronautics & Space Administration Direct Programs			4,324	126,101
Pass-Through Programs:				
National Institute of Aerospace: Connecting Terrestrial and Atmospheric Systems: Value Added and Analyses of FIREX-AQ Data to Enhance Air Quality Modeling	43.001	X22-701024-MU	-	9,888
Improving Hole Quality and Consistency in Micro-EDM Drilling of Aerospace Alloys	43.008	G03773	-	2,500
Application of Magneto-Rheological Fluids for Replicating a Range of Radial Pulses	43.008	G03770	-	2,500
Evaluating Wear of High Performance Polymers Under Different Contact Conditions	43.008	G03774	-	2,500
Total National Aeronautics & Space Administration Pass-Through Programs			-	17,388
Total National Aeronautics & Space Administration			4,324	143,489

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
National Endowment for Humanities:				
ScrippsAVID (Arts-based, Virtual, Intergenerational, Dementia Friendly) Web Application: A Platform to Provide People Living with Dementia with Meaningful, Creative and Social Engagement	45.024		\$ -	\$ 12,618
Capacity Building for the National Breath of Life Native American Philology Model	45.149		-	86,135
Evaluation of Capacity Building for the National Breath of Life Native American Philology Model	45.149		-	14,490
Between Expertise and Bureaucracy: How Cybersecurity Policy is Shaped in Japan and the United States	45.160		-	61,057
Early Modern Kyrgyz Oral-derived Narrative Sources (EMKONS)	45.161		-	14,003
Evaluation of Breath of Life 2.0: Creating a 'Second Breath' for Indigenous Language Revitalization	45.169		-	(1,430)
Total National Endowment for Humanities			-	186,873
National Science Foundation:				
ERI: Development of Non-native Sigma Factors for Metabolic Engineering	47.041		-	58,697
ERI: Distributed Learning in Regulation of UAV Communication Networks with Dynamic UAV Lineup	47.041		-	66,859
Time-Resolved Spectroscopic Study of Diatomic Molecular Sodium	47.049		-	178
REU Site: Reserch Experience for Undergraduates in Chemistry and Biochemistry at Miami University	47.049		-	84,323
Pseudorandom Structures	47.049		-	5,496
Dynamic Control and Self-Assembly of Ortho-Phenylene Foldames	47.049		-	55,972
Short- and Long-Range Structural Complexity from Ortho-Arylene Foldamers	47.049		-	27,445
Extremal Problems For Graphs And Hypergraphs	47.049		-	2,961
CAREER: Dynamic Polymer Materials with Advanced Polymer Architecture and Carbon Nanotube Reinforcements	47.049		-	114,044
Responsive Macromolecules by Wavelength Controlled Vinyl Ketone Photopolymerization and Photodegradation	47.049		-	92,120
RAPID: Viral Particle Disrupting And Sequestering Polymer Materials Applied To Coronavirus	47.049		-	(1,561)
Investigating Membranw Proteins With Magnetic Resonance Spectroscopy	47.049		-	(9,334)
LEAPS-MPS: Entanglement, Transport and Collective Effects in Few-Photon May-Emitter Chiral Waveguide Quantum Electrodynamics	47.049		-	20,903
REU Site: Physics at Miami University	47.049		-	83,829
Second-Order Variational Properties Of Composite Optimization Problems And Its Applications	47.049		-	13,987
Spectral Stability and Oscillations of Dynamical Systems	47.049		-	25,851
Collaborative Research: Investigating time-Varying Relationships Between Interseismic Coupling, Slow Slip, and Seismicity Along The Mexican Megathrust And Silver Fault	47.050		-	31,436
Collaborative Research: Bioavailability Of Mineral Associated Molybdenum As A Cofactor of Nif Nitrogenase For N2 Fixation	47.050		-	49,045
GP-EXTRA: Advancing Undergraduate Geosciences Through Integrated Training Experiences (AUGITE)	47.050		-	80,038
Collaborative Research: A New Mechanism For Metal Isotope Fractionation Induced By Natural Solid-State Ion Conduction	47.050		-	33,971
CAREER: Identifying Ecosystem Properties Promoting Stability And Resistance: Modeling Lae Ordovician Paleocommunity Dynamics And Functioning Across The Richmondian Invasion	47.050		-	13,154
Collaborative Research: Testin Source vs. Crustal Processing in High-Mg# Arc Magmas by Os-O-He-Olivine Systematics	47.050		-	54,748
Collaborative Research: Origin And Evolution Of Intraplate Magmatism At The Revillagigedo Archipelago, Mexico	47.050		-	65,376
Collaborative Research: Volcanism on the Edge - Basaltic Volcanism from SOurce to Surface across the Colorado Plateau/Basin & Range Transition in Sw Utah	47.050		-	21,913

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
From Cones to Clusters: Evolution of a Monogenetic Volcanic Field	47.050		\$ -	\$ 95,499
MRI: Acquisition of a Multi-Collector ICP-MS with Laser Ablatin for Geochemical and Ceochronological Applications	47.050		-	6,678
Incoherent Scatter Radar Study of the F1 Region Composition, Coupling, Dynamics and Energetics	47.050		-	37,213
An Integrated Project on Arecibo Incoherent Scatter Radar Data Processing, Archiving and Investigation of Ionosphere Dynamics, Energetics and Composition	47.050		-	29,444
Support for U.S. Students to Receive Training on Research Cyberinfrastructure at the 2023 Annual Modeling and Simulation Conference (ANNSIM)	47.070		-	7,000
Multi-mutualist Effects on Populations, Communities, and Ecosystems Across Ecological Gradients	47.074		-	59,023
REU Site: Ecology in Human-Dominated Landscapes	47.074		-	138,026
REU Site: Ecology in Human-Dominated Landscapes	47.074		-	(38)
Neuromodulatory Control of switching between Single and Dual Oscillatory Network States	47.074		-	11,046
Ammonia Oxidizers and Their Heterotrophic Friends	47.074		-	57,103
Collaborative Research: Poise Under Pressure: Developing Strains with Minimal Genomes for Integrated Bioprocessing	47.074		-	21,762
RUI: Methanogenesis from Quaternary Amines	47.074		-	88,157
CAREER: Why are species where they are? Identifying the interplay of the evolutionary, environmental, and biotic mechanisms driving niche diversification in Oedipodinae grasshoppers	47.074		-	193,457
LTREB: Response of a Reservoir Ecosystem to Changing Subsidies of Nutrients and Dtritrus	47.074		-	113,848
CAREER: Glycogen Metabolism Kick-Starts Photosynthesis In Cyanobacteria	47.074		-	185,384
OPUS: CRS Synthesis To Add Dissolved Organic Matter To The Trophic Paradigm: The Importance Of Water Transparency In Structuring Pelagic Ecosystems	47.074		-	9,416
Collaborative Research: LTREB: Will Increases in Dissolved Organic Matter Accelerate a Shift in Trophic Status Through Anoxia-Driven Positive Feedbacks in an Oligotrophic Lake?	47.074		-	37,303
Collaborative LTREB Proposal: Will Increases In Dissolved Organic Matter Accelerate A Shift Subtitle: The Effect Of Nitrogen In Determining Trophic Status After	47.074		-	20,583
CAREER: Genetic and epigenetic regulation of meiotic recombination between sexes in maize	47.074		-	63,699
Collaborative Research: Examining the Stress-Related Cyclical Nature of Socioeconomic Status Stigma	47.075		-	7,133
Equity in STEM Education (ESTEME)	47.076		-	135,265
Miami University Robert Noyce Scholars Program	47.076		-	74,838
Developing Assessments for Core Chemistry Concepts: Measuring Student Understanding of Multiple External Representations through Cluster Analysis	47.076		-	1,761
Collaborative Research: Online Training Using Tutorial-Based Active E-Learning To Broaden Participation And Enhance Scientific Computing Skills Within A Desciplinary Context	47.076		-	101,394
Graduate Research Fellowship Program (GRFP)	47.076		-	114,618
Synthesis: Impact of integrating innovative technologies in STEM classrooms on K-12 students' STEM career outcomes	47.076		-	62,936
Overcoming Barriers to Higher Degree Attainment in STEM: A Scholarship-Based Comprehensive Strategy for Talented Low-Income Students	47.076		-	97,126
IGE: Professional and Identity Development in Graduate School: Bringing Transformative Practices in PD to Doctoral Students in Chemistry & Psychology	47.076		-	10,495
Overcoming Barriers to Higher Degree Attainment in STEM: A Scholarship-Based Comprehensive Strategy for Talented Low-Income Students	47.076		-	8,096
Evaluation of Equity in STEM Education (ESTEME)	47.076		-	16,835
Evaluation of Miami University Robert Noyce Scholars Program	47.076		-	6,961
Design Research on the Teaching and Learning of Conceptual Understanding in High School Chemistry Through the Use of Dynamic Visualizations of Physical and Chemical Changes	47.076		-	433,658
ANT LIA: Collaborative Research: Genetic Underpinnings Of Microbial Interactions In Chemically Stratified Antarctic Lakes	47.078		-	145,802
Total National Science Foundation Direct Programs			-	3,382,972

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
Pass-Through Programs:				
OSU: Enhancing Laser Based Ion Sources with High Data Rate Techniques	47.049	SPC-1000005298	\$ -	\$ 22,066
Univ of Georgia: Collaborative Research: Probing the Metabolic and Electrical Interactions of Cable Bacteria in Anoxic Sediments	47.050	SUB00001748	-	2,348
OU: Frameworks: Bayesian Analysis of Nuclear Dynamics	47.070	UT21727	-	3,949
Cary Institute of Ecosystem Studies: LTER: Long-Term Ecological Research at the Hubbard Brook Experimental Forest	47.074	3340/200201865	-	13,473
Colorado State University: Unlocking Microbial Condensed Tannin Resistance Mechanisms: Scaling from Enzymes to Biomes	47.074	G-92775-02	-	45,578
University at Buffalo: Evaluation of Biology with X-Ray Lasers	47.074	R01092122	-	89,408
University of Colorado Boulder: LTER: Ecosystem Response to Amplified Landscape Connectivity in the McMurdo Dry Valleys, Antarctica	47.074	1000861768	-	41,519
Ashland University: Evaluation of Science Scholars Program: Opening the Science Career Pipeline Through Enhanced Engagement and Support	47.076	1643489	-	3,857
ONU: Ohio Northern University NOYCE Scholars Program	47.076	2GF038	-	989
OSU: NSF-LSAMP Ohio Alliance - 2018-23-Kiper	47.076	SPC-1000004411 GR121330	-	94,514
OSU: NSF-LSAMP Ohio Alliance - 2018-23-Kiper	47.076	SPC-1000004411 GR121330	-	3,876
OU: Evaluation of Ohio University NOYCE Scholars Program	47.076	OU 31738	-	14,900
Penn State Univ: Evaluation of Scaffolding Science Learning and Teaching in Middle School Classrooms through Automated Wise Crowd Analysis of Students' Writing	47.076	S001020-NSF	-	28,974
Purdue University: Building and Broadening Understanding of Engineering Practices Among Elementary Presevice Teachers	47.076	10001070-009	-	21,117
University of Cincinnati: NSF ITEST Strategies: Trans-disciplinary Education in Biology and Engineering Technology	47.076	ITEST	-	14,237
Youngstown: Evaluation of ISAC: Involve Students with ASD in Computing	47.076	211526-21-01	-	6,674
Total National Science Foundation Pass-Through Programs			-	407,479
Total National Science Foundation			-	3,790,451
U.S. Environmental Protection Agency				
Perstraction For The Removal of PFAs From Water	66.516		-	1,061
UV-LED Photocatalytic Fuel Vapor Emissions Control for Automobiles	66.516		-	13,479
Total U.S. Environmental Protection Agency Direct Programs			-	14,540
Pass-Through Programs:				
Amec Foster Wheeler: Operation of the US EPA Dry Deposition Network Station at Miami University	66.XXX	C012506260	-	5,509
Total U.S. Environmental Protection Agency			-	20,049
U.S. Department of Energy				
Dissipative Assembly of Carboxylic Acid Anhydrides for Nonequilibrium Systems Chemistry	81.049	DE-SC018645	-	253,882
Regulation of Sustained Cyclic Electron Flow (CEF) in the Photopsychrophile Chlamydomonas sp. UW0241	81.049	DE-SC0019138	-	15,743
Total U.S. Department of Energy			-	269,625
U.S. Department of Education				
Miami University Mental Health Service Professional Workforce Development Project	84.184		-	28,067
Evaluation PELEA! Fight!	84.365		-	18,521
Total U.S. Department of Education Direct Programs			-	46,588
Pass-Through Programs:				
ODHE-UC: Enhancing and Expanding Partnership Models for Collaborative Recruitment and Retention of BIPOC Intervention Specialists	84.027	013684-00002	-	2,250
ODHE-UC: Enhancing and Expanding Partnership Models for Collaborative Recruitment and Retention of BIPOC Intervention Specialists	84.027	0014548-00002	-	126,294
ODHE-UC: Enhancing and Expanding Partnership Models for Collaborative Recruitment and Retention of BIPOC Intervention Specialists	84.027	0014548-00002	-	12,115

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
ED-ODHE-UC: I Educate Montgomery County	84.027	671487-1	\$ -	\$ (325)
ODHE-UC-WSU: I Educate Montgomery County	84.027	671622-1	-	26,869
ODHE-UC-WSU: Evaluation of I Educate Montgomery County	84.027	671622-1	-	10,450
ODE: Evaluation of the School Climate Transformation Grant, Phase II	84.184	EDU20220024	-	105,135
UMBC: Basic Skills and Problem-Solving Skills in Technology-Rich Environments in the STEM-Related Workforce Development Programs in the U.S.	84.305	DOED0002-02	-	62,025
Univ of MI: Improving the Educational Outcomes of Students in Sub-Baccalaureate Postsecondary Institutions: What Can We Learn From and About Ohio's Public Technical Centers?	84.305	SUBK00011922 - 2	-	113,156
Total U.S. Department of Education Pass-Through Programs			-	457,969
Total U.S. Department of Education			-	504,557
U.S. Department of Health & Human Services:				
Strategies to Accommodate Reading in Aphasia: Using Assistive Technology to Support Reading by People with Aphasia	93.173		30,618	30,618
Improving Social Communication Assessment of Adolescents at Risk for Communication Disorders	93.173		-	33,195
Youth Aid Ohio: Mental Health, Trainings, Resources, REferrals	93.243		-	92,062
Evaluation of You Aid Ohio: ental Health Trainings, Resources, Referrals	93.243		-	15,740
Analysis Of Subcortical Networks That Promote Aversion-Resistant Alcohol Drinking	93.273		-	205,740
Sex-Specific Effects Of Infant Trauma On Adult Alcohol Drinking: Role of Amygdala Intercalated Neurons	93.273		-	183,120
Exploiting Cancer Metabolism and Drug Efflux with Bystander-Assisted Immunotherapy	93.395		-	122,643
Accessible Routing Using Smart Crowd-Sensed Surface Classification for Wheelchair Users	93.433		115,021	161,475
Sustained Regulation of Hypothalamus-Pituitary-Ovary Hormones with Tissue-Engineered Ovarian Constructs as a Treatment for Osteoporosis in Females	93.846		-	17,466
Modulation of Network Feedback Shifts the Locus of Rhythm Generation	93.853		-	44,428
Mechanisms Underlying Female Vulnerability To Compulsive Alcohol Drinking	93.853		-	2,402
Tsc1 Regulation of Purkinje Neuron Excitability	93.853		-	74,407
Mycoplasma Pneumoniae P1 Adhesin: Association With The Attachment Organelle	93.855		-	53,983
Regulation of Type-I Interferon by SLAMF9	93.855		-	86,011
Determining the Mechanism of Inhibition of Metallo-b-lactamase Inhibitors	93.859		-	6,396
Machine Learning Approach for finding novel metallo-b-lactamase inhibitors	93.859		-	93,134
Biophysical Studies Of Twin Arginine Transport Component Membrane Insertion	93.859		-	122,978
Polymer-Lipid Particles Investigated by Magnetic Resonance Spectroscopy	93.859		-	10,488
Elucidating the Mechanistic Details of teh Grp94 Molecular Chaperone through an Integrated Computational and Experimental Approach	93.859		-	248,042
EPR Spectroscopic Studies of Membrane Proteins	93.859		-	361,886
Triage Mechanisms for Directing Protein Refolding and Degradation	93.859		-	395,691
Genetic and Epigenetic Effects of Transposable Elements On Meiotic Recombination	93.859		-	132,175
Determining The Role Of DNA Methylation In The Tissue-Specific Expression of the Na.K-ATPase-Na/H Exchanger pH Regulatory System Genes	93.865		-	135,424
Transactional Neurobiological Influences on Parent-Child Kindergarten Adjustment	93.865		40,446	28,602
Mechanisms of Cardiomyocyte-Extracellular Matrix Interactions in Cardiogenesis	93.865		-	104,316
The Use of Virtual Manipulations to Assess Fall Risk and the Mechanisms of Postural Instability that Occur with Age	93.866		-	33,450
Inflammation is a Driver of Newt Lens Regeneration	93.867		-	149,595
A Roadmap to Uncover RPE Plasticity	93.867		-	39,954
Regulation of the Lens Transcriptome and Chromatin Architecture by FOXE3	93.867		-	235,492
In Vivo Imaging of Newt Lens Regeneration: Novel Molecular, Cellular and Functional Insights	93.867		-	72,604
Suicide Simulation at the Data Analytics Branch of the Center for Injury Prevention and Control	93.XXX		-	84,577
Total U.S. Department of Health & Human Services Direct Programs			186,085	3,378,094

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
Pass-Through Programs:				
USAgIng: Information and Planning: Understanding the Capacity of the Aging Network	93.048	90PPUC0002	\$ -	\$ 64,027
AMDA:Improving Adult Immunization Rates for COVID-19, Influenza, and Routine Adult Vaccinations through Partnerships with Medical Subspecialty Professional Societies and the Long-Term Care Professional Society	93.083	CDC-RFA-IP21-2111	-	29,134
Texas A & M University:Biological Systems As Mediators Of Transactional Influences On Anxiety Risk In The Mother-Child Dyad During Infancy	93.242	M2002998	-	155,675
University of Cincinnati: UC-Mood Disorders Research Traineeship-Green (2021-22)	93.242	G03523	-	-
BCFCFC-BCESC: Epidemiologist/Evaluator for Butler County's Strategic Prevention Framework - Partnerships for Success SamHSA Grant	93.243	G03299	-	45,354
Butler County: SAMHSA-Butler County Commissioners Meehan/Robinson	93.243	G03143	-	24,008
University at Buffalo: Reliability Modeling of Shoulder Fatigue and Recovery for Warehouse Operators Performing Dynamic Tasks	93.262	R1240140	-	33,793
BRIA: Expansion of Dementia-Capable Communities Within Urban and Rural Settings in Ohio Using Evidence-Based and Informed Programming	93.470	G03476	-	46,014
MemoryLane: Creating a Dementia-Capable Community in Northwest Ohio through the Expansion of Supports and Services	93.470	G03213	-	12,261
ODM: OSU: Evaluation of MyCare Demonstration: Dissemination Phase	93.778	SPC1000007212 GR127449	-	31,811
University of California:Obesity Stigma and Health Behavior: An Experimental Approach The Ohio State University: Alternative Routes of Gut Microbial Methylamine Metabolism That May Limit Trimethylamine N=Oxide, A Trigger for Atherosclerosis	93.837	0875 G ZA 169	-	25,174
UTHSCH: Telomere Length Dynamics in Relation to Changes in Adiposity and Metabolic Risk	93.847	R01KD109345	-	17,257
Cincinnati Childrens Hosp Medical Center: WE ENGAGE	93.847	0012700D	-	(28,789)
CCHMC: Using Dogs to Promote Therapeutic Engagement During Inpatient Rehabilitation Following Pediatric Acquired Brain Injury: Understanding Mechanisms and Moderators of Treatment Response	93.859	304842	-	76,349
Ohio University: Age-related neuronal regulation of the thermogenesis and lipid metabolism	93.865	315386	-	21,962
Ohio State University: Structure and Genesis of Tau Aggregates	93.866	UT22374	-	28,455
University of North Carolina at Chapel Hill: Protein Quality Control In Age-Related Diseases	93.866	60060509	-	25,527
Brown: Partnering with Providers to Understand IPPI Outcomes of Interest for PLWD	93.866	5116940	-	76,741
Brown University: Testing the Feasibility of the Individualized Positive Psychosocial Intervention	93.866	00002099	52,201	119,159
Advancing Coordination of Home- and Community-based Services for the AD/ADRD Population	93.866	00002257	-	22,015
Staffing Characteristics and Injury-Related Emergency Department Use Among Assisted Living Residents with Alzheimer's Disease and Related Dementias	93.866	13712SC	-	16,037
Rutgers University: Exploring the Associations between Religious Coping, Resiliency, and Social Support and the Physical and Mental Health of Bhutanese Refugee Older Adults in Ohio	93.866	00001907	-	6,331
Challenges In Beta-Lactamase Mediated Resistance	93.866	9004	-	8,756
Insight Policy Research: Study on ACLS Impact on the Societal Determinants of Health	93.XXX	RES514058	-	43,784
Total U.S. Department of Health & Human Services Pass-Through Programs	93.XXX	54001.SCRIPPS	-	4,115
Total U.S. Department of Health & Human Services			<u>52,201</u>	<u>904,950</u>
			<u>238,286</u>	<u>4,283,044</u>
Total Research & Development Cluster			<u>570,191</u>	<u>10,695,380</u>

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
INSTRUCTIONAL				
National Aeronautics & Space Administration:				
New Insights Into Extraterrestrial Magmatic Processes Through a Textural and Chemical Investigation of Apollo 11 Group A Lunar Basalts	43.001		\$ -	\$ 35,180
National Endowment for Humanities:				
Patriarch Tikhon and the Orthodox Church in Revolutionary Russia	45.160		-	30,000
National Science Foundation:				
Student Travel Grant for 2022 Logic Programming and Non-Monotonic Reasoning Conference and Doctoral Consortium	47.070		-	2,374
U.S. Department of Energy:				
Pass-Through Programs:				
NCSU: A Comparison of SiC and Si Based Power Devices' Robustness and Implementations within Health Management Systems	81.086	2014-0654-87	-	4,000
U.S. Department of Education:				
Enhancing Cultural Competence and Integrating International Perspectives in the Redesign of Global Miami Plan Courses Through Explorations of Diverse Subcultures of India				
Fulbright-Hays Schaeffer	84.021		-	57,038
TRIO Cluster	84.021		-	20,000
TRIO 2020	84.042		-	234,262
Miami University Regionals - Upward Bound Program	84.047		-	86,298
Miami Regionals Upward Bound	84.047		-	151,938
Total TRIO Cluster			-	472,498
Miami University: CCAMPIS Subsidies for Low-Income Student-Parents on Three Campuses	84.335		-	45,100
Miami University: CCAMPIS Subsidies for Low-Income Student-Parents	84.335		-	130,968
PELEA! Fight!	84.365		2,800	375,975
Total U.S. Department of Education Direct Programs			2,800	1,101,579
Pass-Through Programs:				
NWP: 2022-2023 NWP Network Support Grant - NWP New Sites	84.411	92-OH01-202213NETWORK	-	7,501
NWP Salary Support for Beth Rimer 2018-2019	84.411	BRIMER-2018	-	43,405
Miami University Regionals Regional Education Partnership	84.425	EDUFAR21	-	9,065
ARPA-ED-ODHE: MU TEACH: A GYO Pipeline for Southwest Ohio	84.425	062984	-	75,778
ED-ODE: Miami University Learning Lab: A New Tutoring Hub	84.425	062984 STATEWIDE	6,200	133,449
Evaluation of Miami University Learning Lab: A New Tutoring Hub	84.425	062984 STATEWIDE	-	15,420
ODHE-WSU: Dayton-Area Educator Shortage Collaborative	84.425	671525-1	-	15,840
Total U.S. Department of Education Pass-Through Programs			6,200	300,458
Total U.S. Department of Education			9,000	1,402,037
U.S. Department of Health & Human Services:				
SUD Highly Qualified Practitioner Training and Preparation Project	93.243		-	54,910
Elucidating the Gene Regulatory Networks That Drive Neural Regeneration	93.853		-	39,509
Total U.S. Department of Health & Human Services Direct Programs			-	94,419
Pass-Through Programs:				
Cincinnati Children's Hospital Medical Center: LEND-CCHMC-Green (22-23)	93.110	G03677	-	19,960
Cincinnati Children's Hospital Medical Center: Center ADHD-CCHMC-Green (22-23)	93.242	G03680	-	18,707
University of Cincinnati: NIH_UC Psychiatry Traineeship-Green (2022-23)	93.242	G03691	-	17,079
ODJFS: UPP-University Partnership Program at Miami	93.645	G-0223-06-0977-1	-	43,510
Total U.S. Department of Health & Human Services Pass-Through Programs			-	99,256
Total U.S. Department of Health & Human Services			-	193,675
Total Instructional			9,000	1,667,266

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
PUBLIC SERVICE				
National Highway Traffic Safety Administration:				
Pass-Through From:				
OVI Countywide Task Force	20.XXX	G03117	\$ -	\$ 802
National Oceanic and Atmospheric Administration:				
Pass-Through From:				
Respect The Locals Education Booth	11.417	G03727	-	1,244
U.S. Department of State				
Using best practices to promote internationalization of higher education in India in collaboration with US partnerships	19.040		-	9,866
Pass-Through From:				
Institute for Training and Development: USDOS-ITD Albarran	19.009	WHI14-2023	-	19,461
Institute for Training and Development: USDOS-ITD Albarran	19.009	G03536	-	11,869
Institute for Training and Development: USDOS-ITD Albarran	19.009	WHI13-2022	-	170,156
Total U.S. Department of State Pass-Through Programs			-	201,486
Total U.S. Department of State			-	211,352
U.S. Treasury				
Pass-Through From:				
ODMHAS-PAA: Ohio Cares Act Funding through Prevention Action Alliance	21.019	OCI CARES ACT G03461	-	1
ARPA: USDOT: ODPS: First Responders Grant - Wellness, Retention and Resiliency	21.027	AFRR-209-HIR	-	24,662
Butler County: College at Elm Innovation and Workforce Development Center	21.027	22-10-01531	-	5,000,000
Total U.S. Treasury			-	5,024,663
National Endowment for Humanities:				
Race, Racism, and Racial Justice	45.162		-	(776)
Muslims in America's Midwest: An Educator's Guide to Past and Present	45.163		-	17,855
Total National Endowment for Humanities Direct Programs			-	17,079
Pass-Through Programs:				
NEH-OHC: Learning Resilience from African-American Literature During a Pandemic	45.129	083022	-	3,644
SLO: LSTA Conservation Grant 2021: Global History of the Book	45.310	L-26-22	-	4,636
Total National Endowment for Humanities Pass-Through Programs			-	8,280
Total National Endowment for Humanities			-	25,359
U.S. Small Business Administration:				
Pass-Through Programs:				
ODSA: Butler County SBDC at Miami	59.037	OSBG-23-311	-	235,565
ODSA: Butler County SBDC at Miami	59.037	22-311A	-	225,154
ODSA:SBDC Emergency Assistance Program - COVID	59.037	OSBG-20-339	-	34,278
Total U.S. Small Business Administration			-	494,997
U.S. Department of Education:				
Pass-Through Programs:				
CARES Act-ODE: GEER Funds to Enhance Mental Health, Behavioral Health, and Substance Use Services and Support for Ohio's K-12 Schools	84.425	G03460	-	1,948,058
CARES Act-ODE: Evaluation of CARES Act-ODE: GEER Funds To Enhance Mental Health, Behavioral Health, and Substance Use Services and Support For Ohio's K-12 Schools	84.425	G03462 - GEER	-	25,162
ODMHAS-PAA-PreventionFirst!: Rise and Thrive Campus-Community Partnerships	84.425	G03620	-	23,289
Total U.S. Department of Education			-	1,996,509

Miami University
A Component Unit of the State of Ohio
Schedule of Expenditures of Federal Awards (Continued)
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Identifier	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Health & Human Services:				
Pass-Through Programs:				
Cincinnati Children's Hospital Medical Center: Children's Hospital - LEND Traineeship - Green (2021-22)	93.110	G03508	\$ -	\$ 64
ODMHAS: Ohio's Project AWARE (Advancing Wellness and Resiliency in Education)	93.243	2300557	-	94,109
ODMHAS: Ohio's Project AWARE Advancing Wellness and Resiliency in Education	93.243	2300557	-	26,528
BCMHARS: HRSA Rural Communities Opioid Response Implementation Grant	93.912	BCMHARS-HRSA-SUB-1	-	275,778
ODMHAS-MHRBWCC: Community, Culture, and Connection in Social Services Workshop Series	93.958	B09SM083835	-	5,000
Total U.S. Department of Health & Human Services			-	401,479
Americorps				
Pass-Through Programs:				
Evaluation Miami University Planning Grant	94.006	21AFH-1502-22-OC151	-	5,856
ServeOhio: ServicePlus at Miami Regionals	94.006	22FXC-1502-23-OC-151	-	4,767
ServeOhio: Miami University Planning Grant	94.006	21AFH-1502-22-OC151	-	28,493
Service+ at Miami Regionals	94.006	22FXC-1502-23-OC-151	-	252,729
Total Americorps			-	291,845
Federal Emergency Management Agency				
Pass-Through Programs:				
FEMA-Office of Public Affairs Ellis 2021	97.XXX	PA-05-OH-4507-PW-00209	-	(1,044)
FEMA-OPA Ellis 2023	97.XXX	PA-05-OH-4507-PW-00209(1)	-	1,049,528
Total Federal Emergency Management Agency			-	1,048,484
Total Public Service			-	9,496,734
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 579,191	\$ 117,046,031

Miami University
A Component Unit of the State of Ohio
Notes to Schedule of Expenditures of Federal Awards
June 30, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Miami University (the University) under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The University has elected not to exercise its option to use the 10-percent de minimis indirect cost rate due to the fact that the University has an existing approved indirect cost rate.

Note 4: Federal Perkins Loan Program

The Federal Perkins Loan Program listed subsequently is administered directly by the University and balances and transaction relating to this program are included in the University's financial statements. There were no loans made during the current year. The balances of loans outstanding at June 30, 2023 consist of:

Program Name	Outstanding Balance at July 1, 2022	New Loans Issued	Repayments of Student Loans	Outstanding Balance at June 30, 2023
Federal Perkins Loan Program	\$ 2,990,039	\$ -	\$ (316,712)	\$ 2,673,327



312 Walnut Street, Suite 3000 / Cincinnati, OH 45201

P 513.621.8300 / F 513.621.8345

forvis.com

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Board of Trustees
Miami University
Oxford, Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the business-type activities and discretely presented component unit of Miami University (University), collectively a component unit of the State of Ohio, as of and for the year ended June 30, 2023, which collectively comprise the University's basic financial statements, and have issued our report thereon dated October 13, 2023.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

FORVIS, LLP

Cincinnati, Ohio
October 13, 2023



312 Walnut Street, Suite 3000 / Cincinnati, OH 45201

P 513.621.8300 / F 513.621.8345

forvis.com

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

Independent Auditor's Report

Board of Trustees
Miami University
Oxford, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Miami University's (University) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2023. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

FORVIS,LLP

Cincinnati, Ohio
October 13, 2023

Miami University
A Component Unit of the State of Ohio
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

	Yes	<u> X </u>	No
	Yes	<u> X </u>	None reported

Noncompliance material to financial statements noted?

	Yes	<u> X </u>	No
--	-----	--------------	----

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

	Yes	<u> X </u>	No
	Yes	<u> X </u>	None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

	Yes	<u> X </u>	No
--	-----	--------------	----

Identification of major federal programs:

Federal Assistance Listing Number(s)
 21.027
 84.007, 84.033, 84.038, 84.063, 84.268, 84.379
 84.425E, 84.425F, 84.425C
 97.036

Name of Federal Program or Cluster
 Coronavirus State and Local Fiscal Recovery Funds
 Student Financial Assistance Cluster
 Higher Education Emergency Relief Funds
 Disaster Grants - Public Assistance

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as a low risk auditee?

X	Yes		No
---	-----	--	----

Miami University
A Component Unit of the State of Ohio
Schedule of Findings and Questioned Costs (Continued)
Year Ended June 30, 2023

Section II – Financial Statement Findings

Reference Number	Finding
-------------------------	----------------

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
-------------------------	----------------

No matters are reportable.

Miami University
A Component Unit of the State of Ohio
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2023

<u>Reference Number</u>	<u>Summary of Finding</u>	<u>Status</u>
-------------------------	---------------------------	---------------

No matters are reportable.

OHIO AUDITOR OF STATE KEITH FABER



MIAMI UNIVERSITY

BUTLER COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 11/28/2023

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov