

# Associated Students Incorporated of California State University, Stanislaus

Financial Statements and Supplemental Information

Years Ended June 30, 2022 and 2021



**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS**  
**Financial Statements and Supplemental Information**  
Years Ended June 30, 2022 and 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Associated Students Incorporated of California State University, Stanislaus

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Associated Students Incorporated of California State University, Stanislaus (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students Incorporated of California State University, Stanislaus as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Associated Students Incorporated of California State University, Stanislaus and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Emphasis-of-Matter

##### Change in Accounting Principles

As discussed in Note 1 to the financial statements, in 2022, Associated Students Incorporated of California State University, Stanislaus adopted Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. Our opinion is not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students Incorporated of California State University, Stanislaus' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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.

## INDEPENDENT AUDITOR'S REPORT, CONTINUED

### Auditor's Responsibilities for the Audit of the Financial Statements, continued

In performing an audit in accordance with generally accepted auditing standards and *Governmental 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 Associated Students Incorporated of California State University, Stanislaus 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 Associated Students Incorporated of California State University, Stanislaus 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.

### Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information included on pages 18 – 26 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 September 23, 2022, on our consideration of Associated Students Incorporated of California State University, Stanislaus' 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 Associated Students Incorporated of California State University, Stanislaus' 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 Associated Students Incorporated of California State University, Stanislaus' internal control over financial reporting and compliance.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
September 23, 2022

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS****Statement of Financial Position**

June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 933,638	\$ 1,054,136
Accounts receivable	1,501	6,650
Due from related parties	421,608	164,797
Prepaid expenses and other current assets	<u>18,051</u>	<u>13,105</u>
Total Current Assets	1,374,798	1,238,688
Non-Current Assets:		
Restricted cash	150,502	158,504
Property and Equipment, net of accumulated depreciation	<u>38,324</u>	<u>58,191</u>
Total Non-Current Assets	<u>188,826</u>	<u>216,695</u>
Total Assets	<u>\$ 1,563,624</u>	<u>\$ 1,455,383</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts payable	\$ 14,983	\$ 1,793
Accrued expenses	23,293	34,333
Due to related parties	<u>30,653</u>	<u>8,672</u>
Total Current Liabilities	68,929	44,798
Non-Current Liabilities:		
Post-retirement benefit obligation	268,007	208,306
Pension obligation	<u>108,740</u>	<u>136,963</u>
Total Non-Current Liabilities	<u>376,747</u>	<u>345,269</u>
Total Liabilities	445,676	390,067
Net Assets:		
Without donor restrictions:		
Board designated:		
Current operating contingency	350,000	350,000
Catastrophic events	200,000	200,000
Deferred post-retirement benefit	200,000	200,000
Undesignated	<u>326,648</u>	<u>274,016</u>
Total without donor restrictions	1,076,648	1,024,016
With donor restrictions	<u>41,300</u>	<u>41,300</u>
Total Net Assets	<u>1,117,948</u>	<u>1,065,316</u>
Total Liabilities and Net Assets	<u>\$ 1,563,624</u>	<u>\$ 1,455,383</u>

See accompanying notes to the financial statements

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS****Statement of Activities**

Year Ended June 30, 2022

	Without Donor Restriction	With Donor Restriction	Total
Revenue and Other Support:			
Student activity fees	\$ 1,233,195	\$ -	\$ 1,233,195
Student club	34,072	-	34,072
Merchandise sales	19,765	-	19,765
	<u>1,287,032</u>	<u>-</u>	<u>1,287,032</u>
Total Revenue and Other Support	1,287,032	-	1,287,032
Expenses:			
Program services:			
Student programs	326,532	-	326,532
Merchandise sales	320,045	-	320,045
Student leadership	263,734	-	263,734
Student clubs	26,618	-	26,618
Stockton center	22,805	-	22,805
	<u>959,734</u>	<u>-</u>	<u>959,734</u>
Total program services	959,734	-	959,734
General and administrative	396,186	-	396,186
	<u>1,355,920</u>	<u>-</u>	<u>1,355,920</u>
Total expense	1,355,920	-	1,355,920
Operating Loss	(68,888)	-	(68,888)
Non-Operating Revenue (Expenses):			
Pension expense	(17,971)	-	(17,971)
Interest income	3,407	-	3,407
Contribution of nonfinancial assets	131,042	-	131,042
Other	5,042	-	5,042
	<u>121,520</u>	<u>-</u>	<u>121,520</u>
Total Non-Operating Expenses	121,520	-	121,520
Change in Net Assets	52,632	-	52,632
Net Assets, beginning	<u>1,024,016</u>	<u>41,300</u>	<u>1,065,316</u>
Net Assets, ending	<u>\$ 1,076,648</u>	<u>\$ 41,300</u>	<u>\$ 1,117,948</u>

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS****Statement of Activities**

Year Ended June 30, 2021

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total</u>
Revenue and Other Support:			
Student activity fees	\$ 917,364	\$ -	\$ 917,364
Student club revenue	40,287	-	40,287
Merchandise sales	11,199	-	11,199
	<u>968,850</u>	<u>-</u>	<u>968,850</u>
Total Revenue and Other Support	968,850	-	968,850
Expenses:			
Program services:			
Merchandise sales	238,531	-	238,531
Student programs	190,955	-	190,955
Student leadership	185,321	-	185,321
Student clubs	14,111	-	14,111
Stockton center	12,393	-	12,393
	<u>641,311</u>	<u>-</u>	<u>641,311</u>
Total program services	641,311	-	641,311
General and administrative	441,452	-	441,452
	<u>1,082,763</u>	<u>-</u>	<u>1,082,763</u>
Total Expenses	1,082,763	-	1,082,763
Operating Loss	(113,913)	-	(113,913)
Non-Operating Revenue:			
Pension benefit	5,156	-	5,156
Investment return, net	4,917	-	4,917
Contribution of nonfinancial assets	131,042	-	131,042
Other	4,423	-	4,423
	<u>145,538</u>	<u>-</u>	<u>145,538</u>
Total Non-Operating Revenue	145,538	-	145,538
Change in Net Assets	31,625	-	31,625
Net Assets, beginning	<u>992,391</u>	<u>41,300</u>	<u>1,033,691</u>
Net Assets, ending	<u>\$ 1,024,016</u>	<u>\$ 41,300</u>	<u>\$ 1,065,316</u>

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS**

**Statement of Functional Expenses**

Year Ended June 30, 2022

	Program Services					Total Program Services	General and Administrative	Total
	Student Programs	Mechandise Sales	Student Leadership	Student Clubs	Stockton Center			
Payroll - wages	\$ 51,027	\$ 126,997	\$ 46,793	\$ -	\$ -	\$ 224,817	\$ 52,005	\$ 276,822
Student assistants	26,653	57,832	79,313	-	5,442	169,240	32,250	201,490
Employee benefits	15,042	57,179	13,866	-	100	86,187	57,836	144,023
Payroll - taxes	4,024	10,086	4,419	-	37	18,566	4,058	22,624
Workers' compensation	-	-	-	-	-	-	3,816	3,816
<b>Total Salaries and Related Expenses</b>	<b>96,746</b>	<b>252,094</b>	<b>144,391</b>	<b>-</b>	<b>5,579</b>	<b>498,810</b>	<b>149,965</b>	<b>648,775</b>
Contractual services	253	303	10,454	-	-	11,010	154,624	165,634
Event costs	131,517	355	7,958	5,186	2,904	147,920	1,762	149,682
Awards, gifts and donations	2,669	-	38,855	465	-	41,989	168	42,157
Advertising	16,541	1,818	5,161	1,376	4,651	29,547	275	29,822
Minor equipment	5,726	11,185	2,119	31	1,773	20,834	5,051	25,885
Repairs and maintenance	13,793	-	1,835	119	6,700	22,447	-	22,447
Club allocations	2,300	-	4,437	15,667	-	22,404	-	22,404
Accounting and legal	-	-	-	-	-	-	20,858	20,858
Supplies	699	1,754	4,493	962	212	8,120	7,110	15,230
Cost of goods sold	-	14,356	-	-	530	14,886	-	14,886
Miscellaneous	3,423	2,494	2,970	390	248	9,525	2,605	12,130
Depreciation	8,699	2,158	-	-	-	10,857	1,010	11,867
Hospitality	260	109	1,935	-	48	2,352	8,875	11,227
Training	8,520	75	-	516	-	9,111	994	10,105
Insurance	-	-	-	-	-	-	6,709	6,709
Employee and board functions	-	-	5,828	-	-	5,828	120	5,948
Dues and subscriptions	445	-	-	1,570	-	2,015	1,765	3,780
Printing	2,043	584	491	229	160	3,507	158	3,665
Travel	137	-	47	107	-	291	1,376	1,667
<b>Total Operating Expenses</b>	<b>293,771</b>	<b>287,285</b>	<b>230,974</b>	<b>26,618</b>	<b>22,805</b>	<b>861,453</b>	<b>363,425</b>	<b>1,224,878</b>
Contributed nonfinancial rent	32,761	32,760	32,760	-	-	98,281	32,761	131,042
<b>Total Expenses</b>	<b>\$ 326,532</b>	<b>\$ 320,045</b>	<b>\$ 263,734</b>	<b>\$ 26,618</b>	<b>\$ 22,805</b>	<b>\$ 959,734</b>	<b>\$ 396,186</b>	<b>\$ 1,355,920</b>

See accompanying notes to the financial statements.



**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS**

**Statement of Functional Expenses**

Year Ended June 30, 2021

	Program Services					Total Program Services	General and Administrative	Total
	Merchandise Sales	Student Programs	Student Leadership	Student Clubs	Stockton Center			
Payroll - wages	\$ 93,218	\$ 45,243	\$ -	\$ -	\$ -	\$ 138,461	\$ 92,720	\$ 231,181
Employee benefits	53,264	14,494	1,160	-	22	68,940	100,649	169,589
Student assistants	31,147	22,628	63,356	-	3,514	120,645	5,571	126,216
Payroll - taxes	7,438	3,472	993	-	4	11,907	6,914	18,821
Workers' compensation	-	-	-	-	-	-	3,176	3,176
<b>Total Salaries and Related Expenses</b>	<b>185,067</b>	<b>85,837</b>	<b>65,509</b>	<b>-</b>	<b>3,540</b>	<b>339,953</b>	<b>209,030</b>	<b>548,983</b>
Contractual services	279	205	5,162	-	-	5,646	158,993	164,639
Awards, gifts and donations	-	800	36,946	4,591	-	42,337	160	42,497
Advertising	354	35,566	3,494	905	1,522	41,841	-	41,841
Event costs	445	20,570	3,690	2,563	5,875	33,143	838	33,981
Club allocations	-	1,200	18,939	200	-	20,339	-	20,339
Minor equipment	8,013	479	5,664	-	1,162	15,318	4,207	19,525
Accounting and legal	-	-	-	-	-	-	16,375	16,375
Postage	346	5,339	2,273	792	150	8,900	905	9,805
Supplies	338	2,911	1,896	1,328	33	6,506	1,924	8,430
Hospitality	-	-	2,022	959	-	2,981	5,415	8,396
Telephone	1,114	1,074	3,486	-	-	5,674	1,779	7,453
Cost of goods sold	7,123	-	-	-	111	7,234	-	7,234
Depreciation	2,158	2,622	-	-	-	4,780	1,010	5,790
Insurance	-	-	-	-	-	-	5,093	5,093
Dues and subscriptions	-	470	-	2,214	-	2,684	1,267	3,951
Employee and board functions	-	-	3,368	-	-	3,368	-	3,368
Training	199	796	-	540	-	1,535	346	1,881
Printing	334	326	112	-	-	772	384	1,156
Miscellaneous	-	-	-	19	-	19	965	984
<b>Total Expenses</b>	<b>205,770</b>	<b>158,195</b>	<b>152,561</b>	<b>14,111</b>	<b>12,393</b>	<b>543,030</b>	<b>408,691</b>	<b>951,721</b>
Contributed nonfinancial rent	32,761	32,760	32,760	-	-	98,281	32,761	131,042
<b>Total Expenses</b>	<b>\$ 238,531</b>	<b>\$ 190,955</b>	<b>\$ 185,321</b>	<b>\$ 14,111</b>	<b>\$ 12,393</b>	<b>\$ 641,311</b>	<b>\$ 441,452</b>	<b>\$ 1,082,763</b>

See accompanying notes to the financial statements

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS****Statement of Cash Flows**

Years Ended June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities:		
Increase in net assets	\$ 52,632	\$ 31,625
Adjustments to reconcile increase in net assets to net cash used by operating activities:		
Depreciation	11,867	5,790
Loss on disposal of property and equipment	8,000	-
Changes in operating assets and liabilities:		
Accounts receivable	5,149	532,547
Due from related parties	(256,811)	(128,459)
Prepaid expenses and other current assets	(4,946)	(4,293)
Accounts payable	13,190	(274)
Accrued expenses	(11,040)	677
Due to related parties	21,981	(1,492)
Unearned revenue - student fees held by the University	-	(538,369)
Post-retirement benefit obligation	59,701	20,654
Pension obligation	(28,223)	12,649
	<u>(128,500)</u>	<u>(68,945)</u>
Net Cash Used by Operating Activities		
	(128,500)	(68,945)
Cash Flows from Investing Activities:		
Purchases of property and equipment	-	(45,679)
	<u>-</u>	<u>(45,679)</u>
Net Decrease in Cash and Cash Equivalents	(128,500)	(114,624)
Cash and Cash Equivalents, beginning	<u>1,212,640</u>	<u>1,327,264</u>
Cash and Cash Equivalents, ending	<u>\$ 1,084,140</u>	<u>\$ 1,212,640</u>
Cash and cash equivalents consist of the following:		
Cash and cash equivalents	\$ 933,638	\$ 1,054,136
Restricted cash - custodial accounts	<u>150,502</u>	<u>158,504</u>
	<u>\$ 1,084,140</u>	<u>\$ 1,212,640</u>

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 1 – Organization and Summary of Significant Accounting Policies

#### Nature of Activities

Associated Students Incorporated of California State University, Stanislaus (Organization) was incorporated in the State of California on September 9, 1991. The Organization was formed and operates as a nonprofit auxiliary organization of California State University, Stanislaus (CSU Stanislaus or the University) which has campuses in Turlock and Stockton, California. The Organization conducts the student government and student activities for the benefit of the students of the University. The Organization's primary source of revenue is student activity fees that have been remitted to the University and are available upon request by the Organization.

The program service activities the Organization provides are described as follows.

- Merchandise Sales – Sales of University items.
- Student Programs and Clubs – Operations provide numerous events and activities throughout the year to enhance the college experience for all students.
- Student Leadership – The student leaders are a group of active students and leaders within the University community. The backbone of student government is the ASI Board of Directors, Warrior Lobby Team, and First-year Leadership Experience.
- Stockton Center – One of two campus locations of CSU Stanislaus and is to enhance the college experience of students in San Joaquin County.

#### New Accounting Pronouncement

In September 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. The purpose of the ASU 2020-07 is to clarify the presentation and disclosure of contributed nonfinancial assets with an intention to provide the reader of the financial statements a clearer understanding of what type of nonfinancial assets were received and how they are used and recognized by the Organization. During the year ended June 30, 2022, the Organization adopted ASU 2020-07, *Presentation and disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*.

Management has analyzed the provisions of the FASB's ASU Topic 958, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets* and has included the necessary disclosures in Note 6.

#### Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with accounting standards generally accepted in the United States of America (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Organization did not have any donor restrictions that were perpetual in nature for the years ended June 30, 2022 and 2021.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 1 – Organization and Summary of Significant Accounting Policies, continued

#### Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Income Taxes

The Organization is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. However, the Organization remains subject to taxes on any net income which is derived from a trade or business regularly carried on and unrelated to its exempt purpose.

The Organization follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. The Organization recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of financial position, when applicable. Management has determined that the Organization has no uncertain tax positions at June 30, 2022 and 2021 and therefore no amounts have been accrued.

#### Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

#### Accounts Receivable

The accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year end, as well as the bad debt write-offs experienced in the past, and establish a price concession for uncollectible amounts for uncollectible amounts. A price concession for uncollectible amounts has not been established as management considers all accounts to be collectible based upon a favorable history over a substantial period of time. If amounts become uncollectible, they will be charged to operations when that determination is made.

#### Property and Equipment

The Organization capitalizes all expenditures for property and equipment in excess of \$5,000. Equipment and improvements are recorded at cost or at estimated fair value at date of gift if donated. Expenditures for maintenance and repairs are charged against operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the asset of 5 years.

#### Revenue Recognition

*Student Activity Fees* – The Organization receives student activity fees from the University to provide a variety of student-centered programs and services that enhance the quality of the student experience. Contracted amounts are determined through a budgetary process approved by the Organization's governing board and University Chief Financial Officer. Student activity fees are recognized by the Organization as program services are delivered over the academic calendar year.

*Student Club and Merchandise Sales* – The Organization has student clubs that hold events and activities that enhance the quality of the student experience. Student club and merchandise revenues are recognized by the Organization as the goods or services are provided to the students.

#### Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 1 – Organization and Summary of Significant Accounting Policies, continued

#### Fair Value Measurements

The Organization defines fair value as the exchange price that would be received for an asset or paid for a liability in the principal or most advantageous market. The Organization applies fair value measurements to assets and liabilities that are required to be recorded at fair value under US GAAP. Fair value measurement techniques maximize the use of observable inputs and minimize the use of unobservable inputs, and are categorized in a fair value hierarchy based on the transparency of inputs. The three levels are defined as follows:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the same term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

As a practical expedient, certain financial instruments may be valued using net asset value (NAV) per share. NAV is the amount of net assets attributable to each share of outstanding capital stock at the end of the period.

The carrying value of cash, receivables, and payables approximates fair value as of June 30, 2022 and 2021, due to the relative short maturities of these instruments.

#### Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among services. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of allocation</u>
Depreciation	Allocated directly to program
Insurance	Allocated based on percentage of overall expenditures
Office supplies	Allocated based on usage
Salaries and related expenses	Allocated based on time and effort
OPEB	Allocated directly to Administration
Other costs	Allocated based on usage
Contractual and professional services	Allocated based on percentage of overall expenditures
Printing	Allocated based on usage
Repairs and maintenance	Allocated based on usage
Travel	Allocated based on purpose of travel
Telephone	Allocated based on usage
Training	Allocated based on usage

#### Reclassification

Certain accounts relating to the prior year have been reclassified to conform to the current year presentation with no effect on the previously reported change in net assets.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 1 – Organization and Summary of Significant Accounting Policies, continued

#### Future Accounting Standards

The FASB has issued a substantial ASU which will become effective in future years.

In February 2016, the FASB issued ASU No. 2016-02 *Leases*. The primary change in US GAAP addressed by ASU 2016-02 is the requirement for a lessee to recognize on the statement of financial position a liability to make lease payments (“lease liability”) and a right-of-use asset representing its right to use the underlying asset for the lease term. ASU 2016-02 also requires qualitative and quantitative disclosures to enable users of the financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 was originally effective for fiscal years beginning after December 15, 2020 but the FASB has delayed the effective period to fiscal years beginning after December 15, 2021. Lessees must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The Organization is evaluating the effect that the provisions of ASU 2016-02 will have on its financial statements and related disclosures.

#### Subsequent Events

The Organization has evaluated subsequent events through September 23, 2022, which is the date the financial statements were available to be issued.

### Note 2 – Liquidity and Availability

The Organization’s financial assets available within one year of the balance sheet date for general expenditures are as follows:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 933,638	\$ 1,054,136
Restricted cash - custodial accounts	150,502	158,504
Accounts receivable	1,501	6,650
Due from related parties	<u>421,608</u>	<u>164,797</u>
 Total Financial Assets	 1,507,249	 1,384,087
 Restricted cash - custodial accounts	 <u>(150,502)</u>	 <u>(158,504)</u>
 Total Financial Assets to fund general expenditures	 1,356,747	 1,225,583
 Less amounts not available to be used within one year:		
Restricted by the board for designated purposes	750,000	750,000
Restricted by donor with purpose or time restrictions	<u>41,300</u>	<u>41,300</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 565,447</u>	 <u>\$ 434,283</u>

As part of the Organization’s liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirement in short-term investments.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 3 – Cash and Cash Equivalents

The Organization maintains its cash in bank deposit accounts at various financial institutions. The balance at times may exceed the Federal Deposit Insurance Corporation (FDIC) limits. Accounts at each financial institution are insured by the FDIC up to \$250,000. In addition, the Organization has deposited cash in the State Treasury's Local Agency Investment Fund (LAIF). Deposits in LAIF are guaranteed by the State of California.

	<u>2022</u>	<u>2021</u>
Cash on hand	\$ 500	\$ 600
Deposits with financial institutions	141,337	272,361
Investments in LAIF	<u>942,303</u>	<u>939,679</u>
Total cash and cash equivalents	<u>\$ 1,084,140</u>	<u>\$ 1,212,640</u>

### Restricted Cash

The Organization is a custodian for monies received and paid by various clubs on campus. A portion of the cash included in deposits with financial institutions, \$150,502 and \$158,504 represents the amount held by the Organization for these clubs at June 30, 2022 and June 30, 2021, respectively.

### Investments in LAIF

As of June 30, 2022 and 2021, investments are in LAIF, which is a voluntary program created by statute as an alternative for California's local governments and special districts that allows them to participate in a major investment portfolio. It is under the administration of the California State Treasurer's Office. The investment is considered a cash equivalent as it is used to fund any operating deficit. Realized gains, losses and interest income are included in investment return in the statement of activities. The Organization's investments in LAIF are measured and reported at fair value based on net asset value (NAV). The investments in LAIF have no unfunded commitment, no redemption frequency, and no redemption notice period as of June 30, 2022 and 2021.

### Note 4 – Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2022</u>	<u>2021</u>
Equipment	\$ 67,927	\$ 67,927
Construction in progress	-	8,000
Less: Accumulated depreciation	<u>(29,603)</u>	<u>(17,736)</u>
	<u>\$ 38,324</u>	<u>\$ 58,191</u>

### Note 5 – Restrictions on Net Assets

Net assets with donor restrictions of \$41,300 were available for the Designated Speaker Series as of June 30, 2022 and 2021.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 6 – Contributed Nonfinancial Assets

For each of the years ended June 30, 2022 and 2021, contributed nonfinancial assets recognized within the statements of activities included \$131,042 of rent. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. Contributed rent is valued and reported at the estimated fair value in the financial statements based on current comparable rental rates. Contributed rent were utilized for general and administrative purposes and the following programs: Student Programs, Merchandise Sales and Student Leadership.

### Note 7 – Operating Lease

The Organization subleases 9,870 square feet from the University Student Center of California State University, Stanislaus for \$1 annually. No amount is included in the accompanying financial statements for the rental value of this space as such an amount is not subject to objective determination. Under the lease agreement, the Organization must ensure funds are provided as needed to the University Student Center, and that space is used in a mutually agreed upon manner.

### Note 8 – Related Party Transactions

The Organization enters into transactions with related parties, including:

- California State University, Stanislaus (CSU Stanislaus)
- California State University, Stanislaus Auxiliary and Business Services (ABS)
- California State University, Stanislaus Foundation (Foundation)
- University Student Center of California State University, Stanislaus (USC)

As of June 30, 2022:

	CSU Stanislaus	ABS	Foundation	USC	Total
Due from related parties	\$ 418,908	\$ -	\$ -	\$ 2,700	\$ 421,608
Due to related parties	(26,044)	-	-	(4,609)	(30,653)
Payment from related parties for services, space and programs	825,337	-	690	21,293	847,320
Payments made to related parties for other than salaries	(153,286)	-	-	(9,714)	(163,000)
Gifts to related parties	-	-	(37,524)	(1,804)	(39,328)

As of June 30, 2021:

	CSU Stanislaus	ABS	Foundation	USC	Total
Due from related parties	\$ 164,381	\$ -	\$ 300	\$ 116	\$ 164,797
Due to related parties	(1,035)	-	(7,524)	(113)	(8,672)
Payment from related parties for services, space and programs	761,952	-	75	28,740	790,767
Payments made to related parties for other than salaries	(155,366)	-	-	(7,725)	(163,091)
Gifts to related parties	-	-	(17,540)	(996)	(18,536)

### Note 9 – Pension Plan

The Organization contributes to the California Public Employees' Retirement System (PERS), a cost-sharing multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating entities within the State of California. Reimbursed employees are covered by CSU Stanislaus' plan.



# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

### Note 9 – Pension Plan, continued

The defined benefit plan uses the Entry Age Normal Actuarial Cost Method, which is a projected benefit cost method. According to this cost method, the normal cost for an employee is the level amount which would fund the projected benefit if it were paid annually from the date of employment until retirement. The auxiliaries fund the plan based upon a percentage of qualified payrolls. PERS also uses the level percentage of payroll method to amortize any unfunded actuarial liabilities.

In addition to a contribution made by the Organization, active participating employees are required to contribute 5% of their monthly salary and 6.75% for PEPRA. Pension benefit for the year ended June 30, 2022 was \$28,223 and pension expense for the year ended June 30, 2021 was \$12,649.

	<u>Miscellaneous</u> June 30, 2021	<u>PEPRA Plan</u> June 30, 2021	<u>Miscellaneous</u> June 30, 2020	<u>PEPRA Plan</u> June 30, 2020
Valuation date				
Present value of projected benefits	\$ 820,554	\$ 320,765	\$ 672,557	\$ 222,200
Entry age normal accrued liability	\$ 604,605	\$ 73,764	\$ 509,432	\$ 52,046
Fair value of plan assets	\$ 554,545	\$ 75,481	\$ 400,190	\$ 44,906
Unfunded liability	\$ 50,060	\$ (1,717)	\$ 109,242	\$ 7,140
Funded ratio	91.7%	102.3%	78.6%	86.3%

The significant actuarial assumptions used to calculate the above pension benefit obligation were as follows:

	<u>2021</u>	<u>2020</u>
Investment Return (net of administrative expenses)	6.80%	7.00%
Projected salary increases	Varies by entry age and service	
Inflation	2.30%	2.50%
Overall payroll growth	2.80%	2.75%

Actuarial information as of June 30, 2022 is currently unavailable.

In addition to the Active plan years, the pension has a plan which was transferred from ABS and assumed by the Organization. The plan had an outstanding pension obligation of \$49,138 at June 30, 2022 and 2021. No comprehensive annual financial report is issued by CalPERS for the pension plan and it is recorded at the value set upon transfer. The plan is inactive and no new participants are added into the plan.

CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the PERS' annual financial report may be obtained from the CalPERS Headquarters Office, 400 Q Street, Sacramento, California 95811. Information about benefits and contributions expected to be paid in each of the next five fiscal years and the years thereafter have not been provided by CalPERS.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

### Note 10 – Post-Retirement Benefit Plan

The Organization provides lifetime post-retirement medical coverage to employees (and their dependents) who retire at age 50 or older with at least five years of service with ABS, USC, or the Organization. The Organization pays a portion of the cost of the benefit, up to a predetermined cap. Retirees are responsible for costs in excess of the cap. The Organization had six employees who were eligible to participate in the plan for the year ended June 30, 2022 and 2021. The Organization did not make contributions to the plan for the years ended June 30, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Obligations and Funded Status at June 30:		
Change in Benefit Obligation:		
Benefit obligation at beginning of year	\$ 208,306	\$ 187,652
Service cost	35,689	33,406
Interest cost	6,041	5,067
Actuarial gain	<u>17,971</u>	<u>(17,819)</u>
Benefit obligation at end of year	<u>\$ 268,007</u>	<u>\$ 208,306</u>
Funded Status:		
Benefit obligation	\$ 268,007	\$ 208,306
Unrecognized net actuarial gain	<u>186,256</u>	<u>204,227</u>
Accrued benefit cost	<u>\$ 454,263</u>	<u>\$ 412,533</u>
Measurement date	June 30, 2022	June 30, 2021
Unfunded status at end of year	<u>\$ (268,007)</u>	<u>\$ (208,306)</u>
Amounts recognized in the Statement of Financial Position:		
Post-retirement benefit obligation	<u>\$ 268,007</u>	<u>\$ 208,306</u>
Net Periodic Benefit Cost:		
Service cost	\$ 35,689	\$ 33,406
Interest cost	6,041	5,067
Amortization of net gain	<u>-</u>	<u>(12,663)</u>
Net periodic benefit cost	<u>\$ 41,730</u>	<u>\$ 25,810</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing costs between the employer and plan members to that point.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Notes to Financial Statements

Years Ended June 30, 2022 and 2021

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### Note 10 – Post-Retirement Benefit Plan, continued

#### Actuarial Methods and Assumption

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumption used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Weighted-average assumptions used to determine benefit obligations at June 30	2022	2021
Discount rate	4.47%	2.90%
Expected long-term return on plan assets	N/A	N/A
Rate of compensation increase	N/A	N/A
Health care cost trend rate assumed for next year	4.00%	6.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.00%	4.50%
Year that the rate reaches the ultimate trend rate	0 years	3 years

### Note 11 – Contingencies

On March 11, 2020 the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruptions through mandated and voluntary closing of businesses and shelter-in-place orders. In response, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which includes significant provisions to provide relief and assistance to affected organizations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of business closures, shelter-in-place orders, and the ultimate impact of the CARES Act and other governmental initiatives. However, the future financial impact and duration cannot be reasonably estimated at this time.

## SUPPLEMENTAL INFORMATION

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Schedule of Net Position

June 30, 2022

(for inclusion in the California State University)

<b>Assets:</b>	
<b>Current assets:</b>	
Cash and cash equivalents	(8,665)
Short-term investments	942,303
Accounts receivable, net	423,109
Lease receivables, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	-
Prepaid expenses and other current assets	18,051
<b>Total current assets</b>	<b>1,374,798</b>
<b>Noncurrent assets:</b>	
Restricted cash and cash equivalents	150,502
Accounts receivable, net	-
Lease receivables, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	38,324
Other assets	-
<b>Total noncurrent assets</b>	<b>188,826</b>
<b>Total assets</b>	<b>1,563,624</b>
<b>Deferred outflows of resources:</b>	
Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
Others	-
<b>Total deferred outflows of resources</b>	<b>-</b>
<b>Liabilities:</b>	
<b>Current liabilities:</b>	
Accounts payable	45,636
Accrued salaries and benefits	1,817
Accrued compensated absences, current portion	20,168
Unearned revenues	-
Lease liabilities, current portion	-
Long-term debt obligations, current portion	-
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	1,308
<b>Total current liabilities</b>	<b>68,929</b>
<b>Noncurrent liabilities:</b>	
Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
Long-term debt obligations, net of current portion	-
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	268,007
Net pension liability	108,740
Other liabilities	-
<b>Total noncurrent liabilities</b>	<b>376,747</b>
<b>Total liabilities</b>	<b>445,676</b>
<b>Deferred inflows of resources:</b>	
Service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
Others	-
<b>Total deferred inflows of resources</b>	<b>-</b>
<b>Net position:</b>	
Net investment in capital assets	38,324
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	41,300
Unrestricted	1,038,324
<b>Total net position</b>	<b>1,117,948</b>

See independent auditors' report.

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
Year Ended June 30, 2022  
(for inclusion in the California State University)

**Revenues:**

**Operating revenues:**

Student tuition and fees, gross	-
Scholarship allowances (enter as negative)	-
<b>Grants and contracts, noncapital:</b>	
Federal	-
State	-
Local	-
Nongovernmental	-
Sales and services of educational activities	53,837
Sales and services of auxiliary enterprises, gross	-
Scholarship allowances (enter as negative)	-
Other operating revenues	1,233,195
<b>Total operating revenues</b>	<b>1,287,032</b>

**Expenses:**

**Operating expenses:**

Instruction	-
Research	-
Public service	-
Academic support	-
Student services	483,354
Institutional support	154,624
Operation and maintenance of plant	-
Student grants and scholarships	-
Auxiliary enterprise expenses	593,004
Depreciation and amortization	11,867
<b>Total operating expenses</b>	<b>1,242,849</b>
<b>Operating income (loss)</b>	<b>44,183</b>

**Nonoperating revenues (expenses):**

State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	3,407
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	5,042
<b>Net nonoperating revenues (expenses)</b>	<b>8,449</b>
<b>Income (loss) before other revenues (expenses)</b>	<b>52,632</b>

State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
<b>Increase (decrease) in net position</b>	<b>52,632</b>
<b>Net position:</b>	
Net position at beginning of year, as previously reported	1,065,316
Restatements	-
<b>Net position at beginning of year, as restated</b>	<b>1,065,316</b>
<b>Net position at end of year</b>	<b>1,117,948</b>

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Other Information

June 30, 2022

(for inclusion in the California State University)

### 1 Cash and cash equivalents:

Portion of restricted cash and cash equivalents related to endowments	
All other restricted cash and cash equivalents	150,502
<b>Noncurrent restricted cash and cash equivalents</b>	<b>150,502</b>
Current cash and cash equivalents	(8,665)
<b>Total</b>	<b>\$ 141,837</b>

### 2.1 Composition of investments:

Investment Type	Current	Noncurrent	Total
Money market funds			-
Repurchase agreements			-
Certificates of deposit			-
U.S. agency securities			-
U.S. treasury securities			-
Municipal bonds			-
Corporate bonds			-
Asset backed securities			-
Mortgage backed securities			-
Commercial paper			-
Mutual funds			-
Exchange traded funds			-
Equity securities			-
Alternative investments:			
Private equity (including limited partnerships)			-
Hedge funds			-
Managed futures			-
Real estate investments (including REITs)			-
Commodities			-
Derivatives			-
Other alternative investment			-
Other external investment pools			-
CSU Consolidated Investment Pool (formerly SWIFT)			-
State of California Local Agency Investment Fund (LAIF)	942,303		942,303
State of California Surplus Money Investment Fund (SMIF)			-
Other investments:			-
Total Other investments	-	-	-
<b>Total investments</b>	<b>942,303</b>	<b>-</b>	<b>942,303</b>
Less endowment investments (enter as negative number)		-	-
<b>Total investments, net of endowments</b>	<b>\$ 942,303</b>	<b>-</b>	<b>942,303</b>

See independent auditors' report.

## ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

### Other Information

June 30, 2022

(for inclusion in the California State University)

#### 2.2 Fair value hierarchy in investments:

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds	-				
Repurchase agreements	-				
Certificates of deposit	-				
U.S. agency securities	-				
U.S. treasury securities	-				
Municipal bonds	-				
Corporate bonds	-				
Asset backed securities	-				
Mortgage backed securities	-				
Commercial paper	-				
Mutual funds	-				
Exchange traded funds	-				
Equity securities	-				
Alternative investments:					
Private equity (including limited partnerships)	-				
Hedge funds	-				
Managed futures	-				
Real estate investments (including REITs)	-				
Commodities	-				
Derivatives	-				
Other alternative investment	-				
Other external investment pools	-				
CSU Consolidated Investment Pool (formerly SWIFT)	-				
State of California Local Agency Investment Fund (LAIF)	942,303				942,303
State of California Surplus Money Investment Fund (SMIF)	-				
Other investments:					
	-				
Total Other investments	-	-	-	-	-
<b>Total investments</b>	<b>942,303</b>	-	-	-	<b>942,303</b>

#### 2.3 Investments held by the University under contractual agreements:

	Current	Noncurrent	Total
Investments held by the University under contractual agreements e.g - CSU Consolidated Investment Pool (formerly SWIFT):			-



# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Other Information

June 30, 2022

(for inclusion in the California State University)

### 3.1 Composition of capital assets:

	Balance June 30, 2021	Reclassifications	Prior Period Additions	Prior Period Retirements	Balance June 30, 2021 (Restated)	Additions	Retirements	Transfer of completed CWIP/PWIP	Balance June 30, 2022
<b>Non-depreciable/Non-amortizable capital assets:</b>									
Land and land improvements					\$ -				\$ -
Works of art and historical treasures					-				-
Construction work in progress (CWIP)	8,000				8,000		(8,000)		-
Intangible assets:									
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Intangible assets in progress (PWIP)					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total non-depreciable/non-amortizable capital assets</b>	<b>\$ 8,000</b>	-	-	-	<b>\$ 8,000</b>	-	<b>(8,000)</b>	-	<b>\$ -</b>
<b>Depreciable/Amortizable capital assets:</b>									
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements					-				-
Personal property:									
Equipment	67,927				67,927				67,927
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total depreciable/amortizable capital assets</b>	<b>67,927</b>	-	-	-	<b>67,927</b>	-	-	-	<b>67,927</b>
<b>Total capital assets</b>	<b>\$ 75,927</b>	-	-	-	<b>\$ 75,927</b>	-	<b>(8,000)</b>	-	<b>\$ 67,927</b>
<b>Less accumulated depreciation/amortization:</b>									
Buildings and building improvements					-				-
Improvements, other than buildings					-				-
Infrastructure					-				-
Leasehold improvements					-				-
Personal property:									
Equipment	(17,736)				(17,736)	(11,867)			(29,603)
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	-	-	-	-	-	-	-	-	-
<b>Total accumulated depreciation/amortization</b>	<b>(17,736)</b>	-	-	-	<b>(17,736)</b>	<b>(11,867)</b>	-	-	<b>(29,603)</b>
<b>Total capital assets, net excluding lease assets</b>	<b>\$ 58,191</b>	-	-	-	<b>\$ 58,191</b>	<b>(11,867)</b>	<b>(8,000)</b>	-	<b>38,324</b>
<b>Total capital assets, net</b>									<b>38,324</b>

See independent auditors' report.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Other Information

June 30, 2022

(for inclusion in the California State University)

Composition of lease assets:	Balance June 30, 2021	Additions	Remeasurements	Reductions	Balance June 30, 2022			
<b>Non-depreciable/Non-amortizable lease assets:</b>								
Land and land improvements	-	-	-	-	\$ -			
<b>Total non-depreciable/non-amortizable lease assets</b>	-	-	-	-	\$ -			
<b>Depreciable/Amortizable lease assets:</b>								
Land and land improvements	-	-	-	-	-			
Buildings and building improvements	-	-	-	-	-			
Improvements, other than buildings	-	-	-	-	-			
Infrastructure	-	-	-	-	-			
Personal property:								
Equipment	-	-	-	-	-			
<b>Total depreciable/amortizable lease assets</b>	-	-	-	-	-			
<b>Less accumulated depreciation/amortization:</b>								
Land and land improvements	-	-	-	-	-			
Buildings and building improvements	-	-	-	-	-			
Improvements, other than buildings	-	-	-	-	-			
Infrastructure	-	-	-	-	-			
Personal property:								
Equipment	-	-	-	-	-			
<b>Total accumulated depreciation/amortization</b>	-	-	-	-	-			
<b>Total lease assets, net</b>	\$ -	-	-	-	\$ -			
<b>3.2 Detail of depreciation and amortization expense:</b>								
Depreciation and amortization expense related to capital assets	\$ 11,867							
Amortization expense related to other assets	-							
<b>Total depreciation and amortization</b>	\$ 11,867							
<b>4 Long-term liabilities:</b>								
	Balance June 30, 2021	Prior Period Adjustments/Reclassification s	Balance June 30, 2021 (Restated)	Additions	Reductions	Balance June 30, 2022	Current Portion	Noncurrent Portion
1. Accrued compensated absences	\$ 19,525	1,335	20,860	15,670	(16,362)	\$ 20,168	20,168	-
2. Claims liability for losses and loss adjustment expenses	-	-	-	-	-	-	-	-
<b>3. Capital lease obligations:</b>								
Gross balance	-	-	-	-	-	-	-	-
Unamortized net premium/(discount)	-	-	-	-	-	-	-	-
<b>Total capital lease obligations</b>	\$ -	-	-	-	-	-	-	-
<b>4. Long-term debt obligations:</b>								
4.1 Auxiliary revenue bonds (non-SRB related)	\$ -	-	-	-	-	\$ -	-	-
4.2 Commercial paper	-	-	-	-	-	-	-	-
4.3 Notes payable (SRB related)	-	-	-	-	-	-	-	-
4.4 Others:	-	-	-	-	-	-	-	-
Total others	-	-	-	-	-	-	-	-
<b>Sub-total long-term debt</b>	\$ -	-	-	-	-	\$ -	-	-
4.5 Unamortized net bond premium/(discount)	-	-	-	-	-	-	-	-
<b>Total long-term debt obligations</b>	-	-	-	-	-	-	-	-
<b>5. Lease Liabilities</b>								
<b>Total long-term liabilities</b>								
Lease liabilities	Balance	Additions	Remeasurements	Reductions	Balance	Current Portion	Noncurrent Portion	
<b>Total</b>	\$ -	-	-	-	\$ -	-	-	

See independent auditors' report.

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Other Information

June 30, 2022

(for inclusion in the California State University)

5 Lease Liabilities schedule:

	Lease Liabilities related to SRB			All other lease liabilities			Total lease liabilities		
	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest	Principal Only	Interest Only	Principal and Interest
<b>Year ending June 30:</b>									
2023			-			-			-
2024			-			-			-
2025			-			-			-
2026			-			-			-
2027			-			-			-
2028 - 2032			-			-			-
2033 - 2037			-			-			-
2038 - 2042			-			-			-
2043 - 2047			-			-			-
2048 - 2052			-			-			-
Thereafter			-			-			-
<b>Total minimum lease payments</b>	\$ -	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
<b>Present value of future minimum lease payments</b>									-
<b>Total lease liabilities</b>									-
Less: current portion									-
<b>Lease liabilities, net of current portion</b>									\$ -

6 Long-term debt obligations schedule:

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
<b>Year ending June 30:</b>									
2023			-			-			-
2024			-			-			-
2025			-			-			-
2026			-			-			-
2027			-			-			-
2028 - 2032			-			-			-
2033 - 2037			-			-			-
2038 - 2042			-			-			-
2043 - 2047			-			-			-
2048 - 2052			-			-			-
Thereafter			-			-			-
<b>Total minimum payments</b>	\$ -	-	-	-	-	-	-	-	-
Less: amounts representing interest									-
<b>Present value of future minimum payments</b>									-
Unamortized net premium/(discount)									-
<b>Total long-term debt obligations</b>									-
Less: current portion									-
<b>Long-term debt obligations, net of current portion</b>									\$ -

**ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS**

**Other Information**

June 30, 2022

(for inclusion in the California State University)

**7 Transactions with related entities:**

Payments to University for salaries of University personnel working on contracts, grants, and other programs	
Payments to University for other than salaries of University personnel	153,286
Payments received from University for services, space, and programs	825,337
Gifts-in-kind to the University from discretely presented component units	
Gifts (cash or assets) to the University from discretely presented component units	
Accounts (payable to) University	(26,044)
Other amounts (payable to) University	
Accounts receivable from University	418,908
Other amounts receivable from University	

**8 Restatements**

Provide a detailed breakdown of the journal entries (at the financial statement line items level) booked to record each restatement:

		<b>Debit/(Credit)</b>
Restatement #1	Enter transaction description	-
Restatement #2	Enter transaction description	-

# ASSOCIATED STUDENTS INCORPORATED OF CALIFORNIA STATE UNIVERSITY, STANISLAUS

## Other Information

June 30, 2022

(for inclusion in the California State University)

### 9 Natural classifications of operating expenses:

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	-	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-	-
Public service	-	-	-	-	-	-	-	-
Academic support	-	-	-	-	-	-	-	-
Student services	210,361	42,658	32,860	17,971	-	179,504	-	483,354
Institutional support	-	-	-	-	-	154,624	-	154,624
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	267,951	57,308	15,013	-	-	252,732	-	593,004
Depreciation and amortization	-	-	-	-	-	-	11,867	11,867
<b>Total operating expenses</b>	<b>\$ 478,312</b>	<b>99,966</b>	<b>47,873</b>	<b>17,971</b>	<b>-</b>	<b>586,860</b>	<b>11,867</b>	<b>1,242,849</b>

### 10 Deferred outflows/inflows of resources:

#### 1. Deferred Outflows of Resources

Deferred outflows - unamortized loss on refunding(s)  
 Deferred outflows - net pension liability  
 Deferred outflows - net OPEB liability  
 Deferred outflows - leases  
 Deferred outflows - others:  
     Sales/intra-entity transfers of future revenues  
     Gain/loss on sale leaseback  
     Loan origination fees and costs  
     Change in fair value of hedging derivative instrument  
     Irrevocable split-interest agreements

Total deferred outflows - others -  
**Total deferred outflows of resources** \$ -

#### 2. Deferred Inflows of Resources

Deferred inflows - service concession arrangements  
 Deferred inflows - net pension liability  
 Deferred inflows - net OPEB liability  
 Deferred inflows - unamortized gain on debt refunding(s)  
 Deferred inflows - nonexchange transactions  
 Deferred inflows - leases  
 Deferred inflows - others:  
     Sales/intra-entity transfers of future revenues  
     Gain/loss on sale leaseback  
     Loan origination fees and costs  
     Change in fair value of hedging derivative instrument  
     Irrevocable split-interest agreements

Total deferred inflows - others -  
**Total deferred inflows of resources** \$ -

### 11 Other nonoperating revenues (expenses)

Other nonoperating revenues 5,042  
 Other nonoperating (expenses) -  
**Total other nonoperating revenues (expenses)** \$ 5,042

**INDEPENDENT AUDITOR'S 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***

To the Board of Directors  
Associated Students Incorporated of California State University, Stanislaus

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Associated Students Incorporated of California State University, Stanislaus (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 23, 2022.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Associated Students Incorporated of California State University, Stanislaus' 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 Associated Students Incorporated of California State University, Stanislaus' internal control. Accordingly, we do not express an opinion on the effectiveness of the Associated Students Incorporated of California State University, Stanislaus' internal control.

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

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Associated Students Incorporated of California State University, Stanislaus' 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*.

INDEPENDENT AUDITOR'S 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*, CONTINUED

**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 Associated Students Incorporated of California State University, Stanislaus' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Associated Students Incorporated of California State University, Stanislaus' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
September 23, 2022